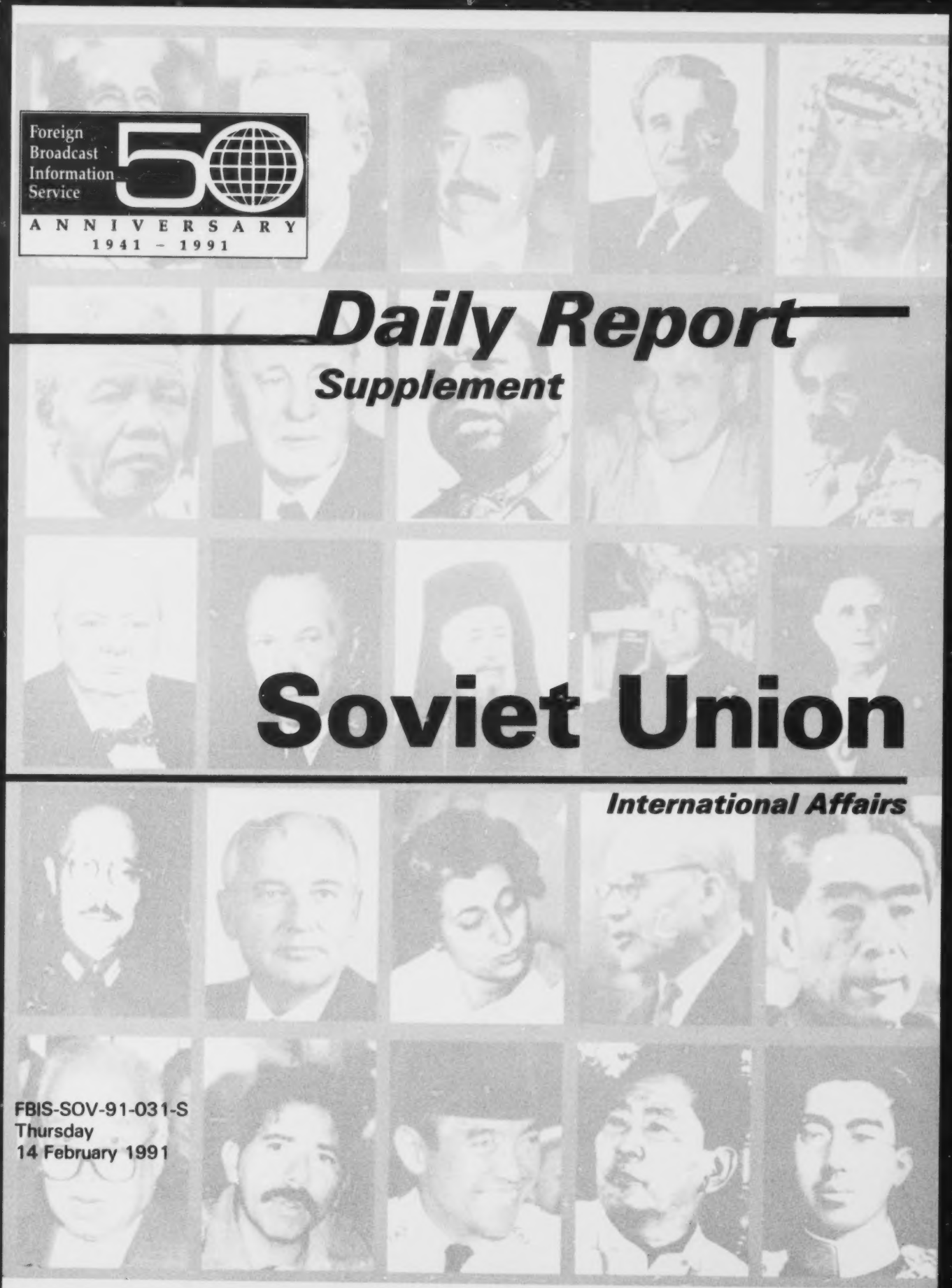

Daily Report

Supplement

Soviet Union

International Affairs

FBIS-SOV-91-031-S
Thursday
14 February 1991

Soviet Union
SUPPLEMENT
International Affairs

FBIS-SOV-91-031-S *14 February 1991*

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

WORLDWIDE ISSUES

Details of 1983 KAL Shootdown: Part XI *[IZVESTIYA 5 Feb]* 1
Correction to KAL Investigation Part One 4
IZVESTIYA KAL-007 'Investigation' Continues 4
Part I *[2 Feb]* 4
Part II *[4 Feb]* 7
Part III *[6 Feb]* 9
Part IV *[7 Feb]* 12
Part V *[8 Feb]* 15
Part VI *[9 Feb]* 17

INTERNATIONAL AFFAIRS

United States & Canada

U.S. Academics Discuss Need for Soviet Unity *[SOVESTKAYA ROSSIYA 5 Jan]* 20
Paper Notes Joint U.S. Conference on Democracy *[IZVESTIYA 9 Jan]* 20
U.S. Views on Banknote Withdrawal Cited *[IZVESTIYA 25 Jan]* 21
Moscow Mayor Views Ties With U.S. Firms *[TASS]* 22
Draft U.S. Budget Seen as 'Extremely Optimistic' *[PRAVDA 7 Feb]* 22
USIA Director Gelb's Career Described *[IZVESTIYA 8 Feb]* 23

China

Bilateral Contacts in January Reviewed *[Moscow International]* 25
Rogachev Interviewed on Bilateral Relations *[Moscow International]* 25
PRC Official Views Reforms, Ties With USSR *[TRUD 4 Jan]* 26
Reports, Comments Evaluate Chinese Relations 27
Military Official's Assessment *[Moscow International]* 27
Friendly Exchanges Foreseen *[Moscow International]* 27
'Positive' Border Talks Noted *[IZVESTIYA 2 Feb]* 27
Joint Building Venture Viewed *[TASS]* 28
First Space Research Meeting Held *[TASS]* 28
City-to-City Highway Link Built *[Moscow International]* 28
Progress Reported on Chinese Dissident Trials *[IZVESTIYA 28 Jan]* 28
CPSU Delegation Head Views Recent China Visit *[Moscow International]* 29
Reports Examine Chinese CPC Committee Plenum 29
Results Scrutinized *[IZVESTIYA 1 Jan]* 29
Described as 'Optimistic' *[PRAVDA 8 Jan]* 30
Mongolian Leader's Visit To China Viewed *[Moscow International]* 31
Taiwan Seeks Fishing Rights Agreement *[IZVESTIYA 5 Jan]* 32
Taiwan May Reconsider Policy With Mainland *[Moscow International]* 32

Northeast Asia

Soviet-Japanese Conference on Cooperation Held 32
Japanese Official Previews Talks *[TASS]* 32
Talks Open in Tokyo 30 Jan *[TASS]* 32
Expectations Expressed *[Moscow International]* 33
IZVESTIYA Cites Pavlov Greetings *[30 Jan]* 34
Important for Gorbachev's Visit *[TASS]* 34

Talks End *[Moscow Radio]* 34
Joint Japanese Seminar on Transforming Defense Noted *[Moscow International]* 35
Reports Examine Relations, Cooperation With Japan 36
Railways Ministers Comments *[TASS]* 36
'Important Phase' Seen *[Moscow International]* 36
'Grave' Problems Noted *[Moscow International]* 37
Joint Oil Venture Viewed *[Tokyo KYODO]* 37
CPSU Secretariat Greets JSP Congress *[PRAVDA 30 Jan]* 37
Deputy Defense Minister Views DPRK Relations *[Moscow International]* 38
Military Delegation Ends Visit to DPRK *[TASS]* 38
Rogachev's Visit to Seoul, Bilateral Ties Examined *[Moscow International]* 38
Deputy Foreign Minister Receives ROK Envoy *[IZVESTIYA 8 Feb]* 39
Maslyukov-Led Economic Group's ROK Visit Viewed *[Moscow TV]* 39
South Korea To Provide $3 Billion in Credits *[Moscow Radio]* 39
USSR Contacts With South Korea Continue 40
Joint Economic Statement Issued *[Moscow International]* 40
Trade Fair Exhibition Held *[Moscow International]* 40
Joint Project in Sakhalin Noted *[Moscow International]* 41
Economic Ventures Reported *[Moscow International]* 42
Prospects for North-South Korean Talks Examined 42
Dialogue, Confrontation Viewed *[TASS]* 42
Shifts Seen in Relations *[Moscow International]* 43
Bilateral Ties With DPRK Develop *[Moscow International]* 43
Mongolian Foreign Minister Discusses Foreign Policy *[PRAVDA 8 Feb]* 44
Mongolian President Seeks To Deepen Ties *[TASS]* 45
Soviet Workers Leave Jobs in Mongolia, Return Home *[Moscow TV]* 46
PRAVDA, Japanese Paper Host Regional Security Talks *[PRAVDA 18 Jan]* 46

Southeast Asia & Pacific

USSR Works on Asian-Pacific Cooperation Draft *[PRAVDA 2 Feb]* 51
Commentaries Examine Cambodian Situation 52
Thai Efforts for Solution Viewed *[Moscow International]* 52
'Namibian Formula' Suggested *[PRAVDA 11 Jan]* 52
Paris Conference Prospects Viewed *[Moscow International]* 53
Commentaries Assess Burma Situation, Prospects *[Moscow International]* 54
Prospects Viewed on National Day 54
Rights Review by UN 'Unavoidable' 54
Past Viewed on Independence Day 55
Historian Examines, Assesses Situation in Burma *[Moscow International]* 56
Eyes Economic Problems 56
Views Political Influences 57
Ambassador Appointed to Kiribati *[IZVESTIYA 1 Feb]* 57

Near East & South Asia

Lebanese President Interviewed on Policies *[TASS]* 58
Cairo Meeting Marks Aswan Dam Anniversary *[PRAVDA 21 Jan]* 59
Fishing Agreement Signed With Morocco *[TASS]* 59
Switch to Dollar May Hamper Trade With India *[IZVESTIYA 8 Jan]* 59
Soviets to Launch Two Indian Satellites *[IZVESTIYA 21 Jan]* 60
Moscow Views Improvements in Sino-Indian Ties *[Moscow International]* 60
Sri Lankan LTTE Cease-Fire Viewed *[Moscow International]* 60

Sub-Saharan Africa

Commentaries View De Klerk's Parliament Address 61
Apartheid Abolishment Debated *[Moscow International]* 61
Victory for Anti-Racist Groups *[Moscow International]* 62
Many Questions Remain Unanswered *[Moscow International]* 62
Debate Over Economic Sanctions in RSA Continues *[Moscow International]* 63

Situation in South Africa, Future Examined *[ARGUMENTY I FAKTY No 2]* 63
Envoy to Somalia Interviewed on Internal Situation *[Moscow International]* 65
Borisov Commentaries Assess Jan-Feb Somali Fighting 65
Opposition Groups Divided *[Moscow International]* 65
President's Fate Unknown *[Moscow International]* 66
Antagonism Among Somali Fronts Seen *[Moscow International]* 66
Struggle for Power Continues *[Moscow International]* 67
Somali 'Dictator' Criticized, 'New Chapter' Seen *[Moscow International]* 67
Proposed Ethiopian Government-Rebel Talks Viewed *[Moscow International]* 68
Zambian Leader Interviewed on Apartheid, Gulf, Ties *[IZVESTIYA 29 Jan]* 69
Malian Students Congress Ends in Moscow *[Bamako Radio]* 70
Aliyev-Led CPSU Delegation Arrives in Tanzania *[TASS]* 70
New Ambassadors to African Countries Named 70
New Envoy to Zimbabwe *[TASS]* 70
New Envoy to Chad *[IZVESTIYA 26 Jan]* 70
New Envoy to Botswana *[IZVESTIYA 21 Jan]* 70
New Ambassador to Sierra Leone *[TASS]* 70
CPSU Greets Guinea, Cape Verde Congresses *[PRAVDA 21 Jan]* 71

East Europe

Troop Withdrawal From East Europe Viewed *[KRASNAYA ZVEZDA 5 Feb]* 71
Effects of CEMA Payments Reform Viewed *[IZVESTIYA 16 Jan]* 72
Pros, Cons of Four-Decades-Old CEMA Viewed *[PRAVDA 16 Jan]* 74
Albanian Reform Process Viewed *[IZVESTIYA 2 Feb]* 75
Recent Albanian Political Developments Viewed *[KRASNAYA ZVEZDA 11 Jan]* 77
Albanian Opposition Newspaper Begins Publication *[IZVESTIYA 8 Jan]* 78
CSFR President Advocates Closer NATO Links *[SOVETSKAYA ROSSIYA 8 Feb]* 78
Troop Withdrawal from CSFR Progress Examined *[Moscow Radio]* 78
CSFR General Cited *[Moscow International]* 79
CSFR Minister's Remarks Scored *[KRASNAYA ZVEZDA 26 Jan]* 79
Deputies Meet on Withdrawals *[Moscow TV]* 79
CSFR Claim Soldiers Selling Weapons Denied *[KRASNAYA ZVEZDA 6 Feb]* 80
Soviet-Czechoslovak Banking Pact Signed *[Prague Radio]* 80
Discovery of CSFR Gold Deposit Reported *[PRAVDA 26 Jan]* 80
Soviet-Czechoslovak Trade Agreement Examined *[PRAVDA 16 Jan]* 81
Soviet, Czechoslovak TV Stations Sign Agreements *[Moscow TV]* 82
Friendship Protocol Signed With Bulgaria *[TASS]* 82
USSR Criticized Over Bulgarian Gasoline Shortage *[PRAVDA 5 Jan]* 82
Three Bloc Ministers Meet in Budapest *[IZVESTIYA 24 Jan]* 83
Troop Pullout Differences With Hungary Continue *[IZVESTIYA 12 Jan]* 84
PRAVDA Reports on Problems *[11 Jan]* 85
Resettlement Problems Affect Pullout *[KRASNAYA ZVEZDA 11 Jan]* 85
Relations Between Hungarian, Soviet Military Viewed *[Moscow International]* 86
Poland Obstructs German Aid Transit *[PRAVDA 8 Feb]* 87
Aid Convoy Reported in Poland *[PRAVDA 9 Feb]* 88
Polish Leader Seeks To Trim Government Powers *[IZVESTIYA 29 Jan]* 88
Agreement on Pullout From Poland To Take Time *[SOVETSKAYA ROSSIYA 8 Feb]* 89
Deputies Visit Poland, Discuss Troop Withdrawal *[KRASNAYA ZVEZDA 9 Jan]* 90
TV Fuels 'Unnecessary Passions' Over Troops *[KRASNAYA ZVEZDA 11 Jan]* 90
Official Interviewed on Trade With Poland *[Warsaw RZECZPOSPOLITA 8 Jan]* 91
Gorbachev Greetings Delivered to Romanian Leader *[IZVESTIYA 11 Feb]* 91
Bessmertnykh Meets Romanian Ambassador *[TASS]* 91
EEC To Review Reports On Events In Romania *[PRAVDA 22 Jan]* 92
'Scenario' for Coup Attempt in Romania Suggested *[IZVESTIYA 5 Jan]* 92
'Lithuanian Variant' Avoided in SFRY *[IZVESTIYA 30 Jan]* 93
Yugoslavia's New Federal Treaty Discussed *[SOVETSKAYA ROSSIYA 15 Jan]* 93

West Europe

Reports on Troop Withdrawal From Germany Continue 94

Restructuring Former Bases *[Moscow TV]* 94
Transport Through CSFR Planned *[Moscow Radio]* 94
Reports Continue on Humanitarian Aid From Germany 95
Military Helps Airlift Food Aid *[KRASNAYA ZVEZDA 9 Feb]* 95
German Red Cross Continues Aid *[SELSKAYA ZHIZN 25 Jan]* 95
Reports, Comments on Relations With Germany Noted 95
Common Interests Seen *[KRASNAYA ZVEZDA 8 Jan]* 95
Agricultural Cooperation Viewed *[SELSKAYA ZHIZN 29 Jan]* 96
German Attitudes to Soviet Immigrants Noted *[PRAVDA 10 Jan]* 96
CPSU Secretariat Congratulates Germany's PDS Leaders *[TASS]* 97
Official Meetings With French Officials Eyed 97
Gorbachev, French Envoy Meet *[PRAVDA 7 Feb]* 97
Yanayev Receives French Bankers *[PRAVDA 2 Feb]* 97
Joint French Talks on Nuclear Non-Proliferation Held *[TASS]* 97
Joint French Economic Talks Boosts Bilateral Ties *[TASS]* 97
Finnish Media's Tone on Baltics 'Scathing' *[SOVETSKAYA ROSSIYA 30 Jan]* 98
Soviet, Finnish Official Meetings Reported 99
Karpov Meets Finnish Envoy *[TASS]* 99
Falin Meets Communist Party Group *[PRAVDA 19 Jan]* 99
Katushev, Finnish Trade Official Meet *[IZVESTIYA 31 Jan]* 99
Petrovskiy, Italian Ambassador Discuss Gulf Events *[IZVESTIYA 1 Feb]* 99
Credit Accord With Italy To Promote Trade Links *[TASS]* 99
Yanayev Attends Norwegian King's Funeral *[TASS]* 99
PRAVDA Chief Editor Receives Netherlands Envoy *[PRAVDA 25 Jan]* 100
Lukyanov, Maltese Legislators Discuss Gulf *[IZVESTIYA 8 Feb]* 100
USSR, Malta Sign Five-Year Trade Protocol *[TASS]* 100
Austrian Chancellor Favors Continued Cooperation *[TASS]* 100
Murdered Swedes Reportedly Mugged, Robbed *[IZVESTIYA 28 Jan]* 101

Latin America & Caribbean

Better U.S.-Soviet Ties Evidenced in South America *[Moscow International]* 101
Commentator Views Rights Violations in Latin America *[Moscow International]* 102
Foreign Ministry Official Speaks on Latin America *[Moscow International]* 102
Part I: Ideological Ties 102
Part II: Economic Integration 103
Part III: International Affairs 103
U.S. Military Aid to El Salvador Criticized *[IZVESTIYA 6 Feb]* 104
Komplektov Meets Ecuadoran Legislators *[IZVESTIYA 19 Jan]* 104
CPSU Secretariat Greets Mexican Party Congress *[PRAVDA 31 Jan]* 104
Venezuelan Leader Rejects Espionage Reports *[SOVETSKAYA ROSSIYA 8 Jan]* 105

Details of 1983 KAL Shootdown: Part XI

915C0020A Moscow IZVESTIYA in Russian
5 Feb 91 Union Edition p 5

["IZVESTIYA investigation" by Andrey Illesh: "Secret of the Korean Boeing-747." Parts one through 10 of thise "investigation" were published in the 6 February Soviet Union DAILY REPORT, page three, column one under the headline "IVESTIYA Investigates 1983 Downing of KAL 007."]

[Text]

XI.

I had not, I confess, suspected that it would be necessary to so quickly and unexpectedly interrupt (temporarily, of course) publication of the series of reports from the United States by Aleksandr Shalnev on the South Korean aircraft. But circumstances are amending what the editorial office had planned. To our gratification this time: for a very important specialist for the investigation which we are conducting had requested an audience. A key specialist, it may be said: a high-ranking naval officer who in the fall of 1983 was serving in the Pacific Fleet. Like many others also, he wished to remain incognito, but promised in time to reveal to newspaper readers both his position and his rank. But as far as the factual side of the matter, that which he made available to the editorial office, is concerned, this is not as yet to be doubted. Both the documents and his facts come first-hand, as they say.

But our acquaintance began with an extremely incensed phone call:

"Your investigation is directed in spirit against seamen," he abruptly began. "You write: The Navy had everything necessary to find the aircraft, but could not handle its mission. And you give all the credit to divers from the Mirchink. This is a lie."

My infuriated interlocutor, I would note, had, however, shifted somewhat the emphases, which had been placed quite clearly in this connection in our newspaper. Particularly where it had been a question of the actual search for the South Korean Boeing-747 shot down by Soviet interceptor fighters in the night of 1 September 1983 in the skies over Sakhalin. However, both the position and the rank of my interlocutor permitted, I repeat, the hope that, when he had calmed down, he would be able to communicate facts so necessary for our journalistic inquiry.

"Please understand, we sailors never had what is so essential to today's Navy. Nonetheless, we gave the appearance of the sailors having all they needed. And what was it to our sailors—our entire Army—the lowest paid army in the world! Only Mongolia and Vietnam are behind us, I believe.... Simultaneously it was always being drummed into the Soviet people that they should be proud of the invincible strength of the Army and Navy. But the military- industrial complex allegedly had unprecedented capacity. My long experience, however, persuades me unequivocally that the capacity there truly is enormous, but the technology which is employed is in the majority of cases the same as employed in civilian life. Compare the Japanese and Soviet television receivers—the difference is roughly the same in electronic military hardware and in other military equipment between us and 'them.' In the Navy, in any event. We have lagged behind hopelessly in radar, in shipbuilding, and in electronic countermeasures. We in our country always relied on quantity. You need examples? Certainly: The American submarine moves with several times less noise than ours. Let 10 Soviet subs confront it. But one enemy submarine would silently avoid them all in turn and destroy them one by one. But we remain silent and pretend that the Americans know nothing about this. They are keeping quiet also. It is to their advantage to show that the USSR has much more in the way of weapons than they have. At this very time we are putting into the water substandard ships which fail to correspond to modern technical specifications. And the submarines. There are 20 submarine projects in the USSR! The Americans have only four. The economy of what country, pray, can sustain such a number of projects? This is insanity. The clue, meanwhile, is very simple: Several new Heroes of Socialist Labor, Lenin and State prize winners, hundreds of persons awarded decorations were the outcome of each new 'project.'"

It seemed to me here that the top military commander's anger had begun to subside and that the time had come to switch to the main discussion.

"Even if you are right—things in the Navy and the Army are extremely bad in our country from the technical viewpoint—what bearing does this have on the business of the search in the Sea of Japan for the downed passenger airliner?"

"It has the most direct bearing. But to show this I have to return to the start of the tragedy."

I turned on the dictaphone and prepared to listen.

"In keeping with the nature of my activity, I was serving in a directorate of the staff of the Pacific Fleet, and as you yourself have written, our fleet took part directly in the search for this ill-starred aircraft. I, however, among the 'top brass,' was able to observe in detail the operations of the Pacific Fleet command center and could see what the commander, Admiral Vladimir Vasilyevich Sidorov, was doing.

"It all began with us receiving information on an intruder aircraft, which had crossed into our air space over Kamchatka. Late at night (on 31 August—author) the commander of the fleet and a number of officers arrived at headquarters. A post which had received all the information on the intruder had been set up at the command center. When the aircraft entered the area of the Sea of Okhotsk, our officers thought: The aircraft will leave either across the islands of the Kuril chain or across Sakhalin. And, as I recall, the commander of the fleet assumed that the intruder would leave across the

Kuriles. All resources had, understandably, been put in a state of combat readiness...."

"Did you suspect that this was a passenger aircraft?"

"No, we were sure that it was an intruder. A civilian airliner simply cannot go that far astray. And, furthermore, consider this: The Americans were behaving provocatively at that time. They were intruding into our air space repeatedly. We were all stirred up.... So it finally began to emerge that this aircraft was headed for Sakhalin. This puzzled us all: We were expecting, after all, that on the pull-out into neutral waters it would turn off. But, no, it continued on.

"When we learned that the aircraft had been attacked and that weapons had been used, we began to analyze where it might possibly come down. Ships were ordered to the anticipated area. Several ships headed there at once at full speed. One of them soon reported—this was two or three hours after the report that the aircraft had been shot down—that a multitude of small objects could be seen in the water. Presumably, parts of the fragmented Boeing. But the current in those parts is rapid. And floating objects are constantly borne south. I remember clearly how the commander ordered a mathematical calculation to be made based on the data obtained from air defense and the ship's commander. Possible radar station bearing and range errors were taken into consideration here also. An area outwardly similar to an ellipse was obtained. But the focal point: Its location did not coincide with what the ship's commander had reported. A large section, approximately 12-18 km, was then obtained beyond the initial area.

"Trawlers with hydroacoustic and magnetic detection facilities, hydrographic ships with hydroacoustic echo trawls, and several submarines were dispatched to the search area (up to this point the Navy man's account tallied with the documents and facts in IZVESTIYA files. The Soviet press had, naturally, never made official mention of submarines which had in the first hours following the catastrophe gone to the area where the aircraft had come down. There were only rumors and conjectures about this—even among specialists—author).

"There were discussions concerning the possible dispatch to the area of the equipment of other departments, including search facilities that had been undergoing testing. The commander got in touch with the leadership of the Far East Fish Industry Administration (I forget with whom) and arranged that the fishermen would allocate for the search their ships that were in the vicinity at that time. Approximately 20 such ships did indeed come to our assistance. And it was only several days later that the question of using the Mirchink arose (I will explain: the Mikhail Mirchink is a drilling ship, about which I had written in detail in the investigation. It was from this that the divers worked in a "bell" lowered to a depth of 174 meters. Those who found the Boeing on the seabed and those who so angered my interlocutor—author).

"Yes, we knew that this vessel had foreign (Finnish—author) diving equipment with underwater television," the Navy man continued. "Negotiations between us and the Mirchink's owners were conducted for several days. And when the issue was finally settled, it was ascertained that it had no divers on board! The whole crew was not assembled.... The ship could not set sail immediately. But everyone realized that it would be irreplaceable when the raising of the wreckage of the aircraft from the seabed to the surface began.

(Clarification is required here since the naval specialist is mistaken: it was not only the unreadiness of the crew of the Mikhail Mirchink which was the snag. The point was that the four Murmansk divers who ultimately performed brilliantly work which was uniquely difficult and dangerous were, perhaps, the **sole** group at that time in the USSR which even could have worked at such a depth, with Finnish equipment and for such a length of time—author).

"So initially military submarines swept the bed. But failed to pick up the 'pincher'—a special instrument installed on the 'black box' which emits signals (for 30 days—author).

"Hydrographic ships joined the search. Including a manned underwater machine, a kind of submarine (it is a question, evidently, of "SSU's"—submersible stabilized units. But this still has to be clarified—author). Fishing boats were at work also. It was these forces that surveyed the area. Initially some casks and pieces of metal were found, nothing having to do with an aircraft. And then, finally, success. The fishermen caught in their net some items and papers, recording tape, and a child's hand (this was the first mention—except for those by civilian divers—of remains of passengers of flight KAL-007 having been found—author). They let down once more a twin trawl, which is a large net lined underneath with hide in order to slide over the rocks better. And once again a catch—some papers and pieces of the aircraft. They immediately narrowed down the search area, and soon discovered three sectors where fragments of the aircraft were found. The area was approximately 2 by 1.5 km in size. Only then was the Mirchink sent out."

"And why did the hydroacoustics not work during the search?"

"It is all very simple. As reported at that time, when it hit the water the aircraft broke up into tiny pieces. But prior to this there had further been, obviously, a powerful explosion. And the 'small fry' did not have hydroacoustic reflectivity. Detection was possible only by the contact method, by trawls, and subsequently the whole of the finishing work was done by the divers.

"But the divers immediately declared that they could not work at a depth of more than 130 meters. There was even

a moment when we wanted to get rid of them (departmental affronts here even, when we are talking about a major international scandal and the death of 269 persons—author). But we realized that searching without their gear would be very difficult. After all, the whole Navy was lacking in such equipment."

"What kind of special gear is this?"

"We are talking about a deep-water observation chamber with a television system. But the main thing is that the Mikhail Mirchink has dynamic positioning, which makes it possible to keep the ship in situ without casting anchors and buoys. This consists of six steering devices and a computer, which, on the basis of wind velocity, relative bearing, and direction of current, computed the spot where the ship should work. Naval ships, on the other hand, would have had to have fidgeted around on hawsers to have gotten the job done. Even now sailors do not have anything like this....

(One further observation. Three identical ships—the Mikhail Mirchink included—were built to a USSR order at by no means a secret military works but at shipyards in Finland. There are similar ones in the world—dozens, if not hundreds. There are those which are more modern and better equipped also. But not for our military. My interlocutor is right here. He confirms many conclusions drawn in the course of the IZVESTIYA investigation, what is more—author).

"...So the Mirchink reached the proper spot. Pieces of the aircraft lying on the bottom could already be seen on the television screen. The divers were ordered: Pick up what you can. And they filled a net with the 'catch.' I recall that they rushed a spot covered with $100 bills. They saw them, but could not get hold of them. It took a long time for passions over this to subside....

"I would note—the divers themselves have complained to you already—that foreigners were an extreme hindrance in our work. The Americans particularly. They were not then counted as democrats and philanthropists, as now. They were asking for trouble the whole time. Six U.S. ships, including a missile cruiser, and several Japanese ships and boats were making such a ruckus and noise that the search was complicated in the extreme. We might just as well have called off the search, the situation was that difficult."

"How were the difficulties manifested, aside from the noise, of course?"

"They were up close. Their stations were operating, emitting a hydroacoustic pulse—the noise of the propellers. And this made the operation of our hardware components (not that powerful as it was) more difficult. Had it not been for the competitors, we would have coped in 10-12 days. It was then that the commander decided on an extreme measure. Something had to be done, did it not?! He had not, as far as I know, let anyone in on his plans. We suddenly one day saw the U.S. guided-missile cruiser ["URO"] breaking off somewhere. It was followed by the other ships.

(We have already written in previous material of the investigation that an instrument which simulated signals from the "black box"—a dummy "pincher"—had been used to divert the Americans. But we doubted the authenticity of this fact. More precisely, that an experienced "enemy" would bite at the decoy. And here was confirmation which came to IZVESTIYA by other channels—author)

"Officers of the ship from which this was done described the deception operation. But this—the newspaper was right to be dubious—was not all. It was suggested that a further two captains of fishing boats go to the same area in which the dummy 'pincher' had been dropped—it was very deep there—and transmit from there 'disinfo' over the radio. Which they did. The fishermen shouted: 'We hear the "pincher"!' The Americans fell for this: they were, evidently, assiduously listening to all our radio conversations. The Americans soon after reported that they had found the 'black box' and invited all correspondents to come out to see them (as I understand it, the Americans, for their part, were putting out "disinfo"—author).

"We saw helicopters," the Navy man continued, "flying out to their ship. One of the machines crashed even. The Americans inquired about assistance. We gave them the coordinates of the place where the helicopter had gone down....

"Nonetheless, with the Americans' departure the Soviet military was still not left alone. Two Japanese special ships with huge spherical objects lowered onto the water were still sailing not that far off.

"What was to be done?" my interlocutor recalled. "They had low-frequency detection and ranging. You couldn't even go underwater. But, thank God, by evening they had gone also.

"But now—talk about untimely!—the 'echo' of all this radio deception had reached us also! There came trumpeting from Moscow: 'The Americans have found the "black box"! They don't go in for idle talk. You join the search in this area also.'

"Well, several ships were sent there for appearances' sake. And at this time the Mirchink, surrounded by two rings of ships (one ring moved clockwise, what is more, the ships of the other, anticlockwise), had set to work. No one could any longer hamper it."

"But what about the Americans?"

"They found nothing, of course. They calmed down. They obviously realized that they had simply been fooled."

"Why were you so afraid that the Americans could have been the first to pick up the 'black box'?"

"It was obvious to us at that time that the aircraft could not simply have gone astray in the skies over Kamchatka. Consequently, it was on a special journey. Consequently, there had to have been some intelligence-gathering equipment on board. In addition, we realized that if the Americans found it first, they would be able to plant a dummy. We did not believe them...."

"But, after all, as far as I know, no intelligence-gathering equipment was discovered on the aircraft...."

"I personally know nothing about the fact that special equipment was found on it. But it is not even a question of this. I am a supporter of the old version: The aircraft had intruded into our air space with a particular purpose. Even if there was nothing on the Boeing other than the passengers. Its mission was something else—in flying over our bases 'to arouse the air defense system.' Which, in my view, KAL-007 successfully did. And operating at that time were special reconnaissance aircraft and a satellite, which were taking readings from our system of defenses...."

"Is it true that the objects you found floating on the surface or others brought up from the bottom were subsequently handed over to the Japanese?"

"Yes. We were approached by a steamship from the port of Wakkanai. It had been making runs constantly at that time. And it picked up some things" (this version is, in accordance with the editorial office's instructions, being checked out in Japan by our correspondent Sergey Agafonov).

"What happened to all the rest?"

"The packaging of all the rest was undertaken by specialists of various departments who had come from Moscow. I remember only that everything was dispatched to the port of Nevelsk. There were people from Moscow there also."

"Was the 'black box' found?"

"Numerous instruments and objects and film were picked up. What was recorded on it, we did not know. Lest this valuable cargo become oxidized, we preserved it (as the specialists demanded). I remember clearly that everything was put in rubber bags filled with distilled water which was a 50-percent mixture of alcohol. The bags were then dispatched to Moscow by a special aircraft. There were nine of them."

"Were awards conferred on the Navy men for the successful search?"

"No, and I was astonished at your report in which you say that the Navy men, while finding nothing, raked in the decorations and medals (we had not put it this unequivocally—author). This is all nonsense! Thanks were given to all by the commander of the fleet, it is true.... That was all."

"Nonetheless, how did that search end for you?"

"Shortly after, we received the command to wind up all operations. We had found all that we needed. And we left. I recall that we were all awaiting the results—the 'black boxes' would be deciphered, and the world would learn the truth. But nothing appeared either in the press or in official documents. But the most puzzling thing for us was something else. This happened a month or six weeks later: Both in our country and overseas everyone suddenly for some reason or other went quiet, as if there had been no Boeing."

"What are your thoughts in this connection?"

"I'll tell you. And I have heard this from many high-ranking military officers. They would say: You want to know the truth about the Boeing? Then answer me one question: Why did the Americans suddenly stop dragging out this problem in the press? It was not to their advantage either to recall everything, perhaps? The following version emerged with me and my colleagues. Yes, Soviet naval seamen found the 'black boxes.' Specialists were able to decipher their information. But this text was not in the Americans' favor.... And what happened subsequently is as follows. The Soviet and American sides (I do not know at what level, unfortunately) simply reached an agreement.... And they endeavored to hide the secret, disadvantageous to both sides, a little further and a little deeper."

The conclusions drawn by my interlocutor (I repeat, an officer of high rank and position concealing his name for the time being not so much in his own as in the editorial office's interests) are far-reaching, to put it mildly. In any event, the part of the journalistic inquiry still to come now appears even more complex. But I will not get ahead of events. Subsequent publications from the United States, which have been prepared by Aleksandr Shalnev, raise questions concerning the role of the special services in the KAL-007 tragedy.

The investigation continues.

Correction to KAL Investigation Part One

WA0702090191

The following correction pertains to the item headlined "IVESTIYA Investigates 1983 Downing of KAL 007" "Part I" published in the 6 February Soviet Union DAILY REPORT, page 3

Page five, column one, paragraph eight, only passage ends Part I: ...(To be continued).... (deleting extraneous paragraphs)

IZVESTIYA KAL-007 'Investigation' Continues

Part I

915C0018A Moscow IZVESTIYA in Russian 2 Feb 91 Union Edition p 5

["IZVESTIYA Investigation; Reported from USA" by staff correspondent Aleksandr Shalnev: "Secret of the Korean Boeing-747"]

[Text]

I.

New York—**This report is a continuation of the investigation related on our newspaper's pages by Andrey Illesh (IZVESTIYA Nos 18-27). The task that confronts the reporters is clear from the title of the series: "Secret of the Korean Boeing- 747." Our international investigative report is trying to erase those black marks that to this day cover the story of the demise of 269 passengers on KAL Flight 007 over Sakhalin.**

The story of destruction of the giant "Jumbo"—as a Boeing-747 is usually called—by a Soviet SU-15 fighter-interceptor put the entire world in turmoil. All kinds of diverse forces and organizations found themselves drawn into the orbit of this scandal—the politicians, the military, the special services... The incident became a subject for special investigation by the ICAO—the International Civil Aviation Organization.

..."The report of the ICAO general secretary is highly objectionable and the USSR representative will move against approval of this report by the ICAO Council." Thus ended the speech of the Soviet delegate at a meeting during the 111th session of the ICAO Council, at which the tragedy of the Korean Boeing had been discussed. This meeting took place in Montreal, on Wednesday, 29 February 1984...

Our objections and protests had not played a role then. At least, a decisive role. Having spent almost half a year in heated debates on the subject of the destruction of the South Korean airliner—the debates that had started at 1000 on 15 September 1983 ended at 1855 on 6 March 1984—the Council adopted, by secret ballot, a special resolution that amounted to approval of the ICAO general secretary's report.

This resolution first expressed "deep regrets" that the Soviet Union "did not cooperate in the search and rescue efforts of other countries," and, second, that the USSR had not cooperated in the investigation conducted by the International Civil Aviation Organization [ICAO].

All the while we—the Soviet side—fought it, up to the last moment. We had pulled from the archives some ancient rule on ICAO voting procedure and, referring to it, were trying to prove that no document could be adopted unless it was supported by the absolute majority! According to this rule, the "pass" number was 17 votes. We probably hoped that since it was a secret ballot, behind-the-scene maneuvering could ensure that even if some delegations did not vote against the measure, they would at least abstain. It did not work. Twenty ballots were cast "for" and only two "against." (That was us and, probably, Czechoslovakia.)

As far as I know, neither the resolution, nor the report prepared by the ICAO general secretary on the basis of the investigation results, has ever been published in our press—either in their entirety or in such a form that would allow one to comprehend the substance of the matter. The Soviet side preferred to limit itself to indignant commentaries, using that brilliant formula that had been uttered in public—specifically in connection with the destruction of the Boeing-747—by one of our very high-ranking information officials. This formula said:

"Our people can read between the lines and understand. If they are told that the plane continued its flight in the direction of the Sea of Japan, they can guess what happened..."

Unfortunately, IZVESTIYA does not have enough space to publish the report in its entirety: It consists of almost 300 pages of text, tables, and graphs. Still, I will try to relate the main points necessary for the IZVESTIYA investigation. The report itself, though, probably should be published separately. At least for historians and researchers... (I think that this report, and, most importantly, the current attitude of the leadership of Soviet civil aviation—Aeroflot—toward that September event of 1983, and the subsequent USSR position, are very important today. Not only for specialists. First of all, it is important for us, because all of us are passengers. Therefore, air safety is our personal business. And we intend to speak about it in our further investigation—Andrey Illesh).

I will start with the fact that the USSR rendered practically zero assistance to the investigators. We even protested against including in the ICAO document the phrase that the parties should assist with the investigation "without any objections." This point, the Soviet delegate stated, was unacceptable to the Soviet Union because it "assumed unconditional cooperation."

This point was also put to a vote. And we lost.

We lost in the ballot box, but not in real life: The only thing we agreed to do, along the lines of practical assistance in the investigation, was to allow a visit of the ICAO general secretary to the USSR, who—accompanied by the chief of the investigation group—was admitted (I am quoting the report here) "to a military air base where he was shown a SU-15 interceptor like the one used on 1 September 1983."

"The official representatives of the USSR Government," the report says, "informed the general secretary that they cannot agree to the visit (to the USSR—author) of the entire ICAO investigative group, since such a visit would be in contradiction to USSR national law. Moreover, the official representatives believe that the investigation being conducted by the ICAO group does not fall under either Article 26 of the Chicago Convention on International Civil Aviation or Supplement 13 to this convention."

At the same time (the delegate from South Korea reminded at one of the ICAO Council meetings) "in 1973, when Israel shot down a Libyan passenger airliner, the Soviet Union energetically insisted on Israeli cooperation with the ICAO investigators." The power of the

ICAO Council in such matters, it was said at the meetings, is clearly specified in Article 55, Paragraph E, of the Chicago Convention.

We also refused—or rather ignored by silence—the general secretary's request for access to "the tapes or transcripts of the radio conversations, as well as the radar data, that is, the materials that, to all appearances, the USSR had in its possession." [as published]

Among the materials asked for by the ICAO were recordings of the radio transmissions related to the first attempt to intercept the Boeing—the one undertaken back over Kamchatka—and the recordings of commands given to the interceptors during the second, tragic, attempt over Sakhalin.

The absence of these materials led the ICAO investigators to the following conclusion, achieved by reverse logic: **"Since there are no indications that the KAL-007 crew noticed the interception attempts, we have to conclude that the crew did not know about these attempts."**

In the opinion of the report's authors, "there is no evidence, either, that the visual identification procedure was fully utilized" (by Soviet pilots—author). Otherwise, the investigators believe, it would have been possible to identify the type of the plane and to read the markings that identified it as a civilian aircraft.

The report refutes a whole number of theories and contentions presented by the Soviet authorities, not so much to explain, but rather to justify the tragedy over Sakhalin.

For instance, our thesis that KAL-007 deliberately delayed its departure from Anchorage by 40 minutes was demolished without much effort. The reason for the delay (according to Soviet propaganda interpretation) was to coordinate the flight with the flight path of intelligence satellites. This thesis was easily refuted: The specialists simply looked through the registration logs of the Anchorage airport. KAL planes constantly changed their departure time on the flights to Seoul, depending on weather and other conditions, so that they would arrive at the South Korean capital no earlier than 0600. That is, their arrival was timed with the opening of custom and luggage services at Kimpo International Airport.

In my opinion, the key conclusion of the ICAO report is this:

"In the course of investigation, no evidence was discovered that would point to the fact that the KAL-007 crew knew, at any time during the flight, that they were off course."

I have to say, though, that in some situations the authors of the report had been clearly influenced by Washington; they did not evaluate critically—and analytically—the information that was given to them by the U.S. Government and used it, as they say, "as is," without thinking much about how precise and—most important—how complete it was. The latter concerns first the relationship between the U.S. Air Force and the Civil Aviation Administration, and, in particular, the exchange of radar information between the two. In subsequent materials we will talk about this in more detail. For now I will limit myself to the question that, for all practical purposes, was not raised in the report and that still does not have a clear answer: Did U.S. Air Force radars detect that the Boeing was off course? And if yes, why did not they contact the operators of the federal administration who, in turn, would have to warn the crew?

Yes, the ICAO report unquestionably has dark spots. It contains, however, quite a few "blank spots," as well. The report does not contain absolutely firm, hard conclusions that are beyond any objections. In general, it only suggests certain thoughts. And these thoughts—in the main—are, alas, running against us.

Even if we were 100-percent innocent in what happened during the night of 1 September over Sakhalin, the attempts to cover up facts that could be known only to us—attempts so clumsy that they immediately stood out—would have prompted many to question our innocence. As it was, instead of admitting our part of the blame—the greater one—and attempting to find out the whole truth, we simply convinced everybody by our evasions that the USSR, and nobody else, was to blame!

But if we look closely—and this is what we will try to do in our subsequent materials of the IZVESTIYA investigation—the USSR alone is not to blame for what happened. There is evidence that—even though it is indirect—confirms what was said in the preliminary account of the investigation conducted by the Soviet Union. This account is attached to the ICAO report as an addendum: The radar services of the United States and Japan, which were "providing navigational support to the South Korean aircraft...did not use the means available to them for detection and prevention of such significant deviation of the aircraft from its course."

If they did, perhaps, the tragedy would not have happened.

Another addendum to the ICAO report is the "Preliminary Report of the Committee for Investigation of the Incident" by the South Korean government. Among the participants in the committee's work, headed by the deputy minister of transportation, were representatives of the ministries of foreign affairs, justice, and defense—according to the official list. The list, however, does not contain representatives from South Korean intelligence services. As I understand, they participated, too. And not as mere "observers."

The main conclusion by the South Koreans: **"It is quite probable that the aircraft was shot down in a situation where, until the very last minute (the crew) did not know that Soviet interceptors were approaching."**

What does "until the very last minute" mean? Is it used figuratively—in the sense that the crew learned about the

interceptors when the missiles had already hit the aircraft and there was absolutely nothing anybody could do? Or literally—that the crew still had time, even though incredibly little, but still some time left to avert the tragedy?

These questions are for South Korea. I know that they follow IZVESTIYA publications very closely. Perhaps, they will also want to answer this question: Besides the "Preliminary Report," was there a final report? If yes, what are its conclusions and what information was contained in it? (To be continued)

Part II

915C0019A Moscow IZVESTIYA in Russian
4 Feb 91 Union Edition p 5

["IZVESTIYA investigation; Reported from USA" by IZVESTIYA correspondent Aleksandr Shalnev: "Secret of the Korean Boeing-747]

[Text]

II.

New York—I counted two or three dozen pay phones in that part of the Anchorage Airport which is reserved for transit passengers from international flights. Just drop coins in the slot or punch in your credit card number and you can call anywhere you want.

Of course telephones are available not only in the Anchorage Airport, and not only in all other international airports in America. The fact that you have crossed the line of customs and passport control and, therefore, the state border does not at all mean that you are now cut off from the rest of the world. Cut off for the long hours of waiting in the lounge, of the flight itself, of pushing and shoving in the baggage and other lines, and the nervous bustle at your destination.

In Moscow's Sheremetyevo-2 there is not a single public telephone beyond the state border. I remember how I once had to run around in all those endless corridors because I urgently needed to call home and tell my family something important that I had forgotten to tell them in the pre-departure haste. I finally found a phone. Alas, it was in the office of the border control chief. "This is the border," he said gravely, and then added: "Not permitted..."

I took off without making that phone call.

But in Anchorage you are permitted to. Call as much as you want, as long as you have enough coins...

That early morning, or, rather, late-late night almost all the pay phones were busy. The KAL-007 passengers making a stopover from New York, slightly rested after an almost eight-hour flight and now ready to fly on to Seoul, were calling their relatives, friends, and acquaintances. Some simply called to say that everything was going smoothly, no delay, the flight was on time. Some called to handle urgent matters. Some called because of the long-standing tradition in the family: Wherever the father, or son, or daughter, went, they would not fail to call home, to say they were doing fine.

None of those who made those calls knew that they had six hours left to live.

From the report of the general secretary of the International Civil Aviation Organization (ICAO), December 1983:

"The KAL airplane, flight 007, touched down in Anchorage at 1130 GMT on 31 August (0230 local, Alaska time—author) and arrived at Gate 2N at 1137. The flight from New York to Anchorage had been uneventful. All three inertial navigation systems and the radar weather system worked normally;

"The crew that was supposed to fly the plane on the Anchorage-Seoul leg had arrived at Anchorage via Toronto on a cargo flight at 2237 on 30 August, and checked into the KAL company quarters. One hour and twenty minutes before the scheduled departure time from Anchorage, the crew left the company quarters by bus and, upon arrival at the airport, proceeded to a planning meeting. During the planning meeting, which was conducted by the company traffic control officer, the items that were discussed were...departure time, flight route and altitude, backup airfields, the weather in the areas of backup airfields, the winds, temperatures, and air conditions along the flight route, details of the computerized flight plan..., fuel needs and fuel availability, passengers, and cargoes.... Computer flight plans—one for each crew member—were rechecked against the maps to ensure correct correlations;

"Flight 007 was scheduled to leave Anchorage at 1220 and arrive in Seoul at 2100 (0600 Korean standard time—author). However, because the head winds that day were less than anticipated, the expected flight time—as calculated by the computerized flight plan—was 7 hours 53 minutes instead of 8 hours 20 minutes. In such situations the company adjusts the departure time from Anchorage **so that the plane will arrive in Seoul at 2100—not only because it is a scheduled arrival time, but also because the customs and baggage services are closed until that time. The departure time was changed to 1250.** (boldface mine—author);

"After boarding 240 passengers and 29 crew members—including six people scheduled to be part of the return flight crew—Flight 007 requested clearance to leave the gate;

"At 1251 the aircraft was cleared to leave Gate 2N... At 1258 Flight 007 was cleared to take off from Runway 32. At 1300 the aircraft was airborne; immediately after take-off radar contact was established, and the aircraft was cleared to ascend to FL 310 altitude (that is 31,000 feet, or about 10 kilometers—author)."

The excerpts from the transcript which I will now quote were not included in the ICAO general secretary's report.

Not because the general secretary and his investigative group (who, by the way, conducted their investigation in record time—less than three months) did not want to include it, but because it appears that neither the general secretary, nor his team had any idea that this information existed.

This information surfaced later.

The credit for the fact that it became available at all is due to Lawrence Porter, who worked for more than 20 years at the U.S. Federal Aviation Administration (FAA) and who, having become an independent expert, conducted an acoustic analysis of recordings made at the Air Traffic Control Center in Anchorage on 31 August 1983. These recordings are not conversations between pilots and the air traffic controllers. This is a conversation among the air traffic controllers. (In the course of the investigation conducted by Andrey Illesh, IZVESTIYA has already published this dialogue in an abridged form. Now we are publishing all the "nuances"—author).

So here is the traffic controllers' dialogue:

"Hey, guys, one of yours over there is heading straight for the Russian air defense zone."

"You are kidding."

"Somebody has to warn him."

"Should have transmitted this information right away instead of waiting."

"They cannot believe it... (gave him his coordinates over the radio)."

Lawrence Porter put in parentheses the words he was not 100 percent sure of: The transcription was exceedingly difficult because of poor audibility and interference.

He guarantees the rest.

Now I want to put a time stamp on these recordings. The first phrase quoted above was uttered at 14:34:01 GMT. The last—at 14:34:16 GMT.

One and a half hours before this, Chon Pyon-in [name as transliterated], the 45-year-old captain of the Boeing-747, former South Korean Air Force pilot, lifted the enormous aircraft from Runway 32 in Anchorage and set off for Seoul.

Or, perhaps, he only thought so?

Or, perhaps, he deliberately set off on a course other than toward Seoul?

The IZVESTIYA investigation has not produced a clear answer to these two questions yet. We do know that the authors of the report presented to the ICAO by the Soviet side in the fall of 1983, answered the second question unequivocally: "Yes." We also know that from the point of view of the U.S. side, the first question should be answered affirmatively...

As to the opinion of the South Korean side, the preliminary report presented by Seoul to the ICAO, does not admit deviation from the flight path at all. Judging from this report, KAL-007 was flying the way it was supposed to—in the air corridor which was then designated as R20, but which since the tragedy has been changed and renamed.

By the way, the contention that there were no deviations from the flight path is the key argument used by KAL lawyers in the litigation which has already been going on for several years in regard to claims from the families of victims of this tragedy.

In principle, the verdict has already been announced—in August 1989. A six-person jury decided that the KAL-007 crew was guilty of criminal negligence in deviating from the prescribed flight path. Speaking practically, this decision means that the victims' families may now sue the South Korean company for any sum the courts agree to award them, above the $75,000 stipulated by the Warsaw Convention for the death of each passenger.

Now the sums in question will be in tens or hundreds of millions of dollars...

I want to mention an important part, from my point of view: Many of those whose husbands, wives, children, and close relatives perished a little more than seven years ago, found themselves in grave financial difficulties. They barely make ends meet. In America, $75,000 is not much money. It is the equivalent of three and a half years in a decent college. As I was told by the association for families of KAL-007 victims, from time to time the association has collections to help those who cannot make it without outside help. This money does not last long, of course.

Going back to the lawsuit. KAL's or, to be exact, its insurance company's lawyers, appealed the decision. As it was explained to me, their argument goes as follows: "When the aircraft left Anchorage, all instrumentation was in working order. The crew was in a state of complete professional readiness. The flight was going according to plan. What happened to the plane is a mystery, and no company employee is guilty of criminal negligence, especially a premeditated one. Therefore the case should be closed."

The appeal is in process now and, as I understand it, it should be ruled on no later than May. Last Friday another hearing took place in the Court of Appeals; as I was told, the judge displayed a thorough familiarity with the IZVESTIYA publications on the South Korean Boeing. If I correctly understood the explanations that were given to me, the fact that debris was discovered at such a distance from the R20 route makes the Korean company defense much more difficult. This fact is evidence that the aircraft had indeed been off course, which means that, at the very least, the crew was inattentive. However, if you are responsible for the life of several hundred people, even inattentiveness can be considered criminal negligence.

Of course, a lot—or, to be exact, practically everything—will depend on the "black box." On the information it contains. This information may lead to unforeseen results: legal, political, financial, and military...

About the "black boxes." The Boeing-747 had two of them. One was intended to record flight information, the other conversations in the cockpit. The tape in the latter "black box" is a loop recording with only half an hour recording time. Therefore, it would not have everything that was said from the moment of take-off, but only during the last half hour before the catastrophe. The former "black box" recorded everything that happened to the plane during the 25 hours preceding the catastrophe.

I have no information on what color the "black boxes" on the South Korean Boeing were. Usually, they are bright yellow or bright orange. Sometimes they just have orange stripes. None are floatable; they sink immediately. (I should note in parentheses, that Soviet experts confirm this: The boxes are orange and there is not a single plane in the world equipped with boxes that are capable of floating—Andrey Illesh).

The former weighs 12.8 kg, the latter 8.2 kg. Both are heat-resistant: They are capable of withstanding temperatures up to 1,100 degrees Celsius for 30 minutes.

The former box (the one that records flight information—flight speed, altitude, course, aileron positions, etc.) is equipped with a special battery-powered acoustical system. The batteries last 30 days. The system is activated by sensors coming in contact with water, and starts to send radio signals which, in theory, are supposed to provide the location of the "black box."

The "black boxes" are not shaped like a globe or a football. Speaking specifically of those that were installed on this Boeing over the coat closet in the left stern part of the fuselage, next to the toilets, their dimensions were 43.8 x 19.3 x 12.4 centimeters for the former, and 32 x 12.4 x 19.3 centimeters for the latter. The serial number of the former was 3069, the latter 1397. The former cost $14,000, the latter $8,000.

I took this data from the ICAO general secretary's report, and from the preliminary report submitted by the Government of South Korea. If these data are correct, they do not match some of the evidence already published in IZVESTIYA—first of all, the evidence that three "black boxes" had been found and recovered from the bottom of the sea.

But, perhaps, the third box was something else? (This question, obviously, is addressed both to those who installed these boxes, and those who found them. The editors will try to solve this mystery by meeting those in the USSR who recovered instrumentation from the downed Boeing from the bottom of the Sea of Japan—Andrey Illesh).

... The document that is in front of me now, however, has this letterhead: "United States Department of the Air Force; Alaska Region NORAD Headquarters; Elmendorf Air Force Base, Alaska."

The title of the document: "Control Over Aircraft Operating in Air Space Adjacent to the Soviet Union."

More about the sensation this document contains will be coming in our next report.

Part III

915C0021A Moscow IZVESTIYA in Russian
6 Feb 91 Union Edition p 5

["IZVESTIYA Investigation; Reported From USA" by IZVESTIYA correspondent Aleksandr Shalnev: "Secret of Korean Boeing-747"]

[Text]

III.

New York—I will say at the outset: The document in front of me (prepared by the Department of the Air Force) is not secret. In any case, it does not have any such markings. Also: The people who sent it to me—quite serious and responsible people—confirmed that it is "harmless" in this respect.

However, although it does not bear such a stamp, in my opinion this document is explosive.

Allow me a small deviation from the topic. The U.S. bureaucracy, including the military one, is not radically different from our bureaucracy in that it displays a similar attitude toward information and materials born in the bowels of newspapers and TV. If it wants to designate any document as classified, it will do so. And it will not ask Congress' permission to do so. (By the way, Congress classifies an enormous mass of its own materials. To be fair, however, an enormous mass of documents later gets unclassified.)

"Secret," "Top Secret," "Confidential," "Restricted Use Only" (the Soviet version—Official Use Only—author)—these not merely constitute a way of protecting information from the eyes of strangers. Not the eyes of spies, of course, but those of the public. It is also a method of adding weight to the information. And another ounce of authority to those who possess it. If I am not mistaken, it was George Shultz, secretary of state in the Reagan Administration, who made this dark joke about passion for secret information: "If a report prepared by me did not have a classification stamp, nobody would notice it. But if I put "Secret" on it—on the same facts and the same conclusions—everybody will be hunting for it. First of all the media."

...I remember how Larry Speakes, Reagan's press secretary, tired of insistent reporters with whom he had only lukewarm relations, decided to teach them a lesson. He put on his secretary's desk two pieces of paper marked "Secret" in such a way that they could be seen from a

distance, doing so as if by accident, absentmindedly. Half an hour later the information was broadcast over the airwaves. The reporter, who believed he had a real scoop and expected envy on the part of his colleagues-competitors and gratitude on the part of his editor, was a pitiful sight when he learned how he had been taken for a ride. Needless to say, there was nothing secret in that information marked "Secret."

In my understanding, there are no secrets in this document, prepared by the U.S. Department of the Air Force, which is an instruction manual for military radar operators. The purpose of these instructions—I quote: "To prevent inadvertent intrusion into Soviet air space of aircraft registered in the NORAD Alaska Region or the Alaska Air Defense Command, or those under the operational control of the above."

It follows from this document that there is an Alaskan buffer zone that is immediately adjacent to the so-called "no free flight zone," that is, the zone where "U.S. military aircraft most likely will be shot at without warning" by the Soviet Air Defense Forces. The coordinates of this buffer zone, according to the document, are: latitude 58 degrees north, longitude 180 degrees west; latitude 60 degrees north, longitude 180 degrees west; latitude 65 degrees north, longitude 169 degrees west; latitude 72 degrees north, longitude 169 west; latitude 72 degrees north, longitude 167 degrees west; latitude 62.30 degrees north, longitude 167 degrees west.

Flying through the buffer zone requires special permission. This is the instruction of the U.S. Department of the Air Force.

According to one document—a memorandum for members of Congress, which I also have—the South Korean Boeing-747 had flown for about 200 miles in the buffer zone before it entered Soviet air space.

Had it been detected by military radars?

Richard Kerr, deputy director of the U.S. Central Intelligence Agency, stated at the closed briefing in the Senate on 31 October 1989 that—I quote—"military and intelligence services do not track civilian aircraft in the northwest region of the Pacific Ocean, with the exception of those cases involving SOS signals or other emergencies."

The Boeing pilot had not sent out an SOS. This means that military radars did not track it, does it not?

If we believe the deputy director of the CIA—no. But I would like to go back to the instruction of the U.S. Department of the Air Force regarding the buffer zone in the Alaska region. In those paragraphs of the document where personnel duties are described, it says:

The operator is supposed to "track all aircraft detected in the buffer zone. If it appears that the aircraft is straying off course, or that it may enter the "no free flight zone," the operator must immediately make an attempt to contact the aircraft crew on the shortwave radio frequency 121.5 Mhz (this is the emergency frequency. A signal coming in on that frequency instantly "knocks out" all other channels on the radio equipment used on this aircraft—author) or report to the nearest Federal Aviation Administration (FAA) center—if the aircraft in question is a civilian aircraft."

In my opinion, this instruction does not leave any doubt: **The Boeing-747 had to be noticed by the military radar operators, who should have either, themselves, warned the crew that the aircraft had strayed off course and was dangerously close to a closed zone, or informed the FAA of the situation. In which case the latter should have taken control of the situation itself.**

Add to this something I mentioned earlier: The tapes deciphered by Lawrence Porter contain evidence that the Boeing's deviation from its course had been noticed! It was noticed quite quickly, and by civilian radar operators.

(Here I want to come back to the International Civil Aviation Organization (ICAO) general secretary's report used as part of the materials in the investigation published in IZVESTIYA No 28. The report says, on page 39, paragraph 2.10.2: "If the traffic controllers who followed the flight knew about such a significant deviation from the flight path, they would have taken corrective actions. However, they could only know about the deviation if they had the means to determine the aircraft's location independently of what the pilot was reporting to them." The pilot, as is known, reported that he was passing the checkpoints he was supposed to pass if he were flying the standard flight path. This passage in the ICAO report does not correspond at all with what Lawrence Porter was able to read off the tapes recorded in the Anchorage air traffic control center.)

Let us hear, however, the explanations given by official U.S. bureaucrats. Another person who testified at the same closed briefing where the CIA deputy director made his appearance was Charles Hawkins, deputy assistant secretary of defense on intelligence. He said: First, "intelligence services of the Armed Forces did not have any information in regard to this incident, and are in no way involved in it." Second, "military traffic controllers, as far as we know, had no idea that KAL-007 was out there." Third, the Department of Defense has no notion what "happened—if anything—to the recordings made at the so-called minimal service radar station relating to KAL-007. These tapes are usually kept for 60 days and then reused."

Instead of commenting on these statements myself, I will refer to an analytical memo that was distributed among the Congressional staff and was obtained by me from the Senate.

In regard to the "first." The memo states that the deputy assistant secretary of defense made a clearly false statement: "The Air Force Command electronic security group No 6981, stationed at Elmendorf Air Base in

Alaska, and group No 1690 at Misawa Air Base in Japan 'were the main units involved in intelligence collection at the time of the KAL-007 incident. It was the Air Force intelligence under the command of Gen. Jim Phauts that prepared, within 12 hours of the downing of the plane, a collection of very detailed materials. These materials showed that: In all probability, the Soviet Union had shot down the plane by mistake, believing it to be an RS-135 Cobra on a spying mission. The statement that the Air Force intelligence did not have any information on KAL-007 in its files cannot be believed, unless, of course, the files have been destroyed.'"

(Here I have to interfere—without changing the substance of my colleague's investigation. The point is that in his interview with IZVESTIYA, former Su-15 fighter-interceptor pilot Gennadiy Osipovich admitted unequivocally: There was no way to confuse the aircraft he had been pursuing for almost an hour with the well-known to him RS- 135. Meanwhile, let my colleague continue his investigation—Andrey Illesh).

Speaking about the "second," this statement by the Pentagon official contradicts the Department of the Air Force instructions on flights in the Alaska buffer zone. And about the "third": "Why is it that the department has no idea what happened to the recordings? And if they had been destroyed, then why?—ask the memo authors. "Who is responsible for the fact that they had been erased?"

These recordings, extremely important for the Boeing story, which were made—as I understand it—with minimal interference on the part of the operators (thus the name of the station), should have contained evidence explaining—perhaps, partially—what had been happening to KAL-007 during its flight in the buffer zone and then in Soviet air space.

But where are these recordings? Most likely they have simply been destroyed. Just as a multitude of other documentary evidence—many U.S. researchers believe—that could have been subpoenaed by courts or the U.S. Congress.

Actually, the absence of clear evidence is one of the reasons why the lawsuits filed by the KAL-007 victims' relatives against the U.S. Government have never really made it to court. Incidentally, the lawsuit against the Soviet Government, filed four days after the tragedy, never made it to court, either. I spoke to the man who filed this lawsuit against us. His daughter died over Sakhalin. The same one who called home from Anchorage ("IZVESTIYA investigation" No 29) because it was a family tradition to call home while on the road.

I will not name this person—he asked me not to. He believes it would be better to speak about the entire organization he represents—the association of the KAL-007 victims' families—and not just about himself personally.

This lawsuit traveled a very long way—from a New York court to the U.S. Embassy in Moscow, then from there to the USSR Foreign Ministry, and then back through the same chain. The lawsuit was dismissed on the grounds of the "sovereignty of the Soviet Union." Most other lawsuits have not been successful, either. Even the one against the company that prepared the flight map for the KAL-007 crew. The only lawsuit that was accepted by the courts was the one against the airline itself. But I have already described this one...

I would also like to introduce another government official: James B. Busey, FAA director. A number of Senators tried to obtain from him some answers to hard-hitting questions, in particular about that conversation between the traffic controllers that Lawrence Porter had been able to extract—the conversation from which it followed that the Boeing's deviation from its course and its veering toward the danger zone had been noticed.

"There is no evidence," says the FAA director in his letter to Senator Carl Levine on 17 August 1990, "that this conversation even took place" (in the air traffic control center in Anchorage). "There was no reason to believe," continues the director, "that the plane would enter Soviet air space."

It follows from all this—I am convinced—that even if all the Soviet organizations that had any relation to the South Korean airliner tragedy opened their files for scrutiny, the dark story of KAL-007 would still contain quite a few blank pages. It will only be possible to fill them with American, South Korean, and, I think, Japanese assistance.

...One of the theories that received wide currency in the United States goes as follows: The Su-15 shot down the Boeing by mistake, believing it was a spy plane. Within hours the U.S. Administration had information available to it that permitted Washington to come to the conclusion that it had indeed been a mistake. However, knowing all this, the U.S. side started a huge propaganda campaign with the main theme: "The Soviets are barbarians. They kill people with premeditation and in cold blood." And Moscow, unfortunately, played along in this campaign by hiding the truth instead of admitting it and explaining the circumstances.

(I have to "interfere" again, although by agreement Aleksandr Shalnev and I conduct our own independent investigations. We are doing so, however, within the framework of the same newspaper—IZVESTIYA. Therefore I will permit myself to remind the reader of some facts which, it appears to me, were already proven in previous publications. Namely: Air Force Lt. Col. Gennadiy Osipovich maintains that he knew all the "silhouettes" of military (but not foreign civilian!) aircraft of potential adversaries. He had made hundreds of sorties from Sakhalin airport on the intercept missions against U.S. military aircraft, and could almost recognize the faces of many violators (the regulars)... Intelligence aircraft and their benavior in the Far Eastern skies

are his profession—which, it appears, he had mastered to such degree of excellence that he had been able to shoot down the gigantic Boeing with two missiles, whereas it requires, by the calculations of some experts whom, in all honesty, I do not know, at least seven missiles of the kind Osipovich's plane was armed with to shoot down a 747. What follows, from my point of view, is this: The propaganda campaign that flared up in Washington in the fall of 1983 does have its own underpinnings, but they are different from the ones implied above. I do agree with my colleague completely in this: We have lost that media battle to the Americans on all points.—Andrey Illesh).

However, a mistake was also committed by the United States. Both the military and civilian operators showed incredible incompetence in not following the instructions they were supposed to follow. This happened in a situation where a public admission of such a mistake threatened to lead to grave consequences for dozens of officials, including some very high-ranking ones, and, most importantly, hundred of millions of dollars in fines which the government organizations would have been forced to pay on the lawsuits from the victims' families. In this situation the government organizations conducted, as they call it here, a "cover-up."

I want to repeat that what I described in the paragraph above is a theory—one of many. Whether it is true or not we will only find out when the governments decide to tell us what they at this point prefer not to tell.

Part IV

915C0022A Moscow IZVESTIYA in Russian
7 Feb 91 Union Edition p 5

["IZVESTIYA Investigation; Reported From USA" by IZVESTIYA correspondent Aleksandr Shalnev: "Secret of the Korean Boeing-747"]

[Text]

IV.

New York—They did not wake the President up. He woke up on his own, at about 0710. California is three hours behind Washington, so the work day in the capital was already at full speed. The President was still having breakfast with his advisers at the time his secretary of state, who had stayed in Washington, was about to start a news conference that would tell the world that the night before a South Korean airliner had been shot down over Sakhalin.

The statement made by Secretary of State George Shultz—which, as I recall, I had to later translate in an incredible rush and to transmit to Moscow, where it settled in the folders marked "For Official Use Only"—the State Department chief had not even consulted the U.S. chief executive, President Reagan, on this. In general, Ronald Reagan, who was staying at his ranch in Santa Barbara, California, at the time, learned the details of what had happened in the Far East only after he woke up, that is, almost 20 hours after the tragedy.

Well, actually, something had been reported to him the night before, about eight hours after the Boeing-747 had disappeared from the radar screens. But it was reported in a rather sketchy way. A plane had disappeared. On that, Reagan went to bed. Only the next morning did presidential aides hold a sort of a briefing for him and acquainted him with a transcript of the radio transmissions between the Soviet pilots and their ground control.

"Incredible," was Reagan's reaction.

His chronic laziness and indifference that manifested themselves during those tumultuous hours were in marked contrast with the actions of the administration as a whole, especially those departments that are directly related to Soviet-U.S. relations in all their aspects and manifestations. Including the propaganda one.

Eight hours after the incident there was already a special group operating at the State Department. It was headed by Richard Burt, then assistant secretary of state for European and Canadian affairs, who was in charge of relations with Moscow at State. In addition to State Department staff, the group included representatives of the Defense Department, the White House, and the CIA. Why was Burt, of all people, chosen to head this group? David Pearson, one of the most unrelenting researchers of the circumstances surrounding the tragedy, names two reasons: First, Burt was known for his especially hard-line approach to relations with the Soviet Union. Second, the propaganda value of the incident was the highest precisely in regard to Europe, which was getting ready at the time to receive the first shipment of U.S. Pershing and cruise missiles. The Europeans' resistance toward placing these missiles there was substantial; therefore the downing of a passenger airliner by a Soviet fighter- interceptor undoubtedly carried an enormous propaganda charge. It is not accidental that, according to the testimony of some eyewitnesses, after reading the cables from abroad which described the reaction of the public and the press on the incident R. Burt literally exploded with delight: "We have got them! We have got these bastards!"

One of the most serious actions undertaken by Burt's group—which also involved specialists from the United States Information Agency—was presenting the tape recording of the radio transmissions between our pilots at the UN Security Council meeting on 6 September.

When in the dead silence that gripped the Security Council conference room a voice from the speakers said: "The target is destroyed," our delegation presented a pitiful sight.

Introducing the recording, Jean Kirkpatrick, who was at the time the U.S. representative at the United Nations, said: "This is an unabridged recording."

Was it?

Let us compare some facts. On 5 September the White House makes an advance announcement: Kirkpatrick will present the recording that covers 55 minutes of radio transmissions. However, the recording presented next day at the Security Council only lasted 49 minutes and 11 seconds. In David Pearson's opinion, this means that the tape had been "worked on."

There are more substantial signs of that. In one of the previous materials of our investigation I quoted some fragments of the transcript of the radio transmissions of the Soviet pilots sent to intercept the South Korean Boeing. I have seen and perused the entire transcript, but did not pay attention to certain things that literally jump out at specialists such as David Pearson. For instance: In one part of the recording—presented to the Security Council—the pilot says that he sees the target. However, from what he says two minutes later it is clear that he does not know where the Boeing is. For he is asking the ground controller: "To the left, perhaps (had turned?—author.), or to the right." Another example: The pilot informs the ground that he has two tons of fuel left; several minutes later—if we are to believe the recording—he says that he will continue the search until he has two tons of fuel left.

What is the explanation for these discrepancies? Perhaps the fact that the tape had been, as they say here, "doctored," that is, cleaned up, edited, etc. But what was the purpose of "doctoring?"

Another detail. According to Japanese reporter Ishitaro Masuo, "the quality of sound on these tapes was so poor that it shocked Japanese ham radio operators, who listen to Soviet pilots' transmissions on their radio and hear them as clearly as the local commercial broadcasts." In Masuo's opinion, which is quoted in the book "KAL-007: Hiding the Truth," the governments of Japan and the United States "made public a fake tape that had undergone a variety of operations with the purpose of taking out key information."

By the way, this tape has no recording of the first 15 minutes of our interceptors' flight.

Why?

...According to information presented in the International Civil Aviation Organization (ICAO) general secretary's report, the Boeing-747 in question was built in 1972 for the West German airline Lufthansa, and in 1979 was purchased by the Korean airline. The Boeing, which had flown a total of 38,718 hours and had made 9,237 landings, had "two regular inspections" in August 1983: on 10 and 16 August.

However, the report says nothing about the type of inspection the Boeing with the identification number HL 7442 had between 11 and 14 August. I will quote David Pearson, who is considered to be one of the most serious researchers of the Sakhalin tragedy:

"We are told that at 1030 on 11 August a KAL plane, accompanied by a reconnaissance plane RS-135, arrived at Andrews Air Force Base near Washington. Immediately upon arrival the plane was towed to the far end of the air field, to building No 1752 which is run by the E-Systems company. This company is based in Dallas, Texas, and is a Pentagon and CIA contractor. Its specialty is electronic equipment. It is assumed that the Korean plane was equipped with an unidentified type of electronic equipment there. At 1840 on 14 August the plane left Andrews, again accompanied by the RS-135. According to initial information, the plane identification number was HL 7442;

"A reporter from a major U.S. newspaper was in Washington when his editor called and told him about the events at Andrews. Later the same day in a restaurant the reporter mentioned this story to one of the staffers of William Clark, Reagan's national security adviser. The staffer went immediately to call Clark, but as soon as he started to report to his boss on what he had heard, the latter exploded: 'This is Soviet disinformation!';

"The same day Lt. Gen. Lincoln Faurer, director of the National Security Agency (the largest and most generously financed of the U.S. intelligence services, which is engaged in electronic intelligence—author), invited a number of publishers and editors to a meeting and told them that the story about Andrews had been fabricated by the Russians. The State Department took similar—and highly unusual—steps, informing the editors that information about alleged connection between KAL-007 and U.S. intelligence are Soviet 'disinformation.' The State Department also held a closed briefing for some members of Congress; many congressional staffers were not admitted to this briefing due to an insufficiently high level of clearance. Congress was told that an intercepted East bloc embassy cable provided confirmation that the Andrews story was Soviet disinformation! This, in the opinion of one former diplomat, is an extraordinary measure: 'To prove a trivial thing, the State Department goes as far as admitting that U.S. intelligence intercepts the coded cables of the Soviet bloc embassy.'"

The result? The information, as they say in the U.S. news business, was "spiked." Or, to use our expression, went into the waste basket. Second, in David Pearson's opinion, the editors—who had initially invested considerable efforts and means in the development on this version, only to hear later that it was disinformation—lost practically all interest in following the potential intelligence angle of the KAL-007 affair. Which was, probably, the main purpose of that short but intensive work with the press...

It is hard to believe but true: The U.S. Government did not conduct an investigation of the incident over Sakhalin. At least, not an investigation that it made public. There were some attempts to find out how it all happened. But these attempts were limited to Congress and, as far as I know, did not produce any significant results.

Actually, what results can be expected if the most important information is either kept behind seven locks or long ago disappeared without trace?

...Three hours after the Boeing's disappearance James Michelangelo, head of the Anchorage branch of the National Transportation Safety Board, started to collect information related to KAL flight 007. He decided not to limit his investigation to Anchorage. Branch employees already had reservations for the next flights to Tokyo and Seoul in order to collect information there as well. Somebody was "put" on liaison with Elmendorf Air Force Base to find out what they had.

The National Transportation Safety Board had every right to conduct this investigation: There were U.S. passengers on board the Korean airliner. That is the first point. The second: The flight's departure point was in the United States. However, the very next morning the Anchorage branch received a call from its Washington headquarters; James Michelangelo was told that at the request of the State Department he should send all materials collected to the capital. Several hours later he was informed that his branch should no longer be involved in this investigation—the State Department would be in charge of it from then on.

The reasons given were more or less of this nature: What happened over Sakhalin was not an ordinary catastrophe but an act of terrorism; the agency's task was to investigate regular catastrophes and accidents. Formally, this is true. But is it not at least strange that in a situation where, it seems, all available means and resources should be used—especially of the kind possessed by the National Transportation Safety Board, which, by general admission, is known for its persistence, thoroughness, and its investigative zeal—the main player is taken out of the game, "taken out of the running..."

The puzzlement increases when one learns that the State Department, which ostensibly took over the investigation, did not conduct it. At least not a public one. According to NATIONAL magazine [title as published], " about a year and a half after the events a high-ranking State Department official said in answer to the question as to whether the State Department had conducted an investigation: "How was the State Department supposed to conduct it?" Most likely, the woman who made this statement meant that the department engaged in foreign policy and lacked the necessary technical means and experience to conduct this kind of investigation.

...The more one gets into the story of the South Korean Boeing, the more puzzles one encounters.

I mentioned one of them in passing in one of my previous materials, when I presented to the readers fragments of the conversations between our fighter pilots. Neither the recording nor the transcript contained the commands given from the ground. At the UN Security Council meeting Jean Kirkpatrick did not offer any explanations in this regard. Actually, on that day the only part of the 50-minute recording that was needed was the sentence: "The target is destroyed." For the Americans, the rest had been pushed onto the back burner.

However, if we treat this tape not as propagandistic "material evidence" but as a source of information, the blank spots should be filled. Since my task is to try to show the American angle of the Sakhalin tragedy, I address my questions and bewilderment first of all to the Americans. Although, of course, they could be addressed to our side as well: After all, the commands were coming from the Soviet ground. The experts believe that both the Americans and the Japanese have complete recordings of the transmissions, with the voices of two pilots—of the Su-15 and of the MiG-23—and two ground controllers with the call signs "Deputat" and "Trikotazh."

(I will interrupt my colleague's discourse for a minute. The issue of the recordings of the transmissions between the pilots in the air and the ground controllers is extremely muddled. And not only by the fact that quite possibly special services cleaned up, corrected, or in some other way modified the tape in the direction they needed. The first complication I encountered in my personal investigation of this stage of the Korean Boeing tragedy is the fact that several pilots were in the air and talking at the same time! Two of them were in immediate pursuit of the transgressor. One was an Su-15, piloted by Gennadiy Osipovich, who is already known to readers from our previous reports, and the other was a MiG-23 which had been following Osipovich and constantly falling behind. I will remind the reader that this interceptor was falling behind because it was flying with three additional fuel tanks. Possibly he jettisoned them later. Therefore the discrepancy in the messages regarding how much fuel was left could stem from the fact that both pilots were informing the ground about their fuel supply. The situation is further complicated by the interference of other military pilots who were not in Osipovich's field of vision and who also maintained radio contact with the ground. During one of our interviews with Gennadiy we put in front of him the same transcript of the transmission Aleksandr Shalnev used. It immediately became clear that the pilot-interceptor recognized his own words and some of the replies given to the ground by his MiG-23 "colleague" who was following him. Where he did get confused was in the call signs—"Deputat" and "Trikotazh": They do not belong either to him, or, apparently, the ground controller of the Sokol airfield from which Osipovich had taken off. So, as they say, we still have to sort out the details. To have a starting point, I repeat, all recordings of the conversations made by the Soviet military will be required.—Andrey Illesh).

...On September 6 the Japanese KYODO TSUSHIN quoted Japanese Chief Cabinet Secretary M. Gotoda, who was a personal representative of the Japanese prime minister at that time. He said that Japan "had followed the commands given from the ground to the interceptors," but would not make these recordings public. A day later Larry Speakes, White House deputy press secretary, denied that the American side had such recordings and

said that the Japanese had them, and that it was up to the Japanese whether or not to make them public.

David Pearson, who had carefully analyzed the published transcript of the transmissions, came to this conclusion: Even this transcript had a certain "sprinkling of earthly matter": there were several sentences that clearly originated from "Trikotazh." But if "Trikotazh" was recorded, then, in the researcher's opinion, other ground commands had also been recorded.

So where are they? Why are they being concealed?

It is an amazing situation: According to what "a military officer who did not wish to be identified" told Andrey Illesh, "the Soviet recording of the transmission was cleaned up and underwent a cosmetic modification." But it appears that the Americans and the Japanese had done the same with their recordings. It would be good to be able to compare what had been cleaned up on our side and what on theirs. Quite a few puzzles would probably be solved.

Presenting the recording to the UN Security Council—the recording was played in Russian, with simultaneous translation through earphones—Jean Kirkpatrick said: "Perhaps one of the most amazing things that became clear from this recording is the fact that not even once did the pilots raise the issue of identification of the target plane, and not even once did the interceptor pilots refer to it as other than a "target."

But perhaps it was the parts that did not get included in the public version—the ones with the voices of the ground controllers—that contained these identification commands?

Alas, it is again another question instead of an answer...

Part V

915C0023A Moscow IZVESTIYA in Russian 8 Feb 91 Union Edition p 7

["IZVESTIYA Investigation; Reported from the USA" by IZVESTIYA correspondent Aleksandr Shalnev: "Secret of the Korean Boeing-747"]

[Text]

V.

New York—Three of them arrived, whereas I expected only one: This was the arrangement we made on the phone. However, the three shared their grief: Loved ones of all of them died that horrible night over Sakhalin—the daughter died, or the husband, the son-in-law, another daughter...

We sat down at the table. They refused refreshments and even coffee. They could not wait to hear what I had to say.

Personally, I did not want to talk. Under the circumstances, words were hollow and pathetic. Perhaps, even "forgive us" would have been out of place. Besides, they would not have noticed my excuses.

I simply put on the table a set of articles published by IZVESTIYA and accompanied by pictures. I responded to their silent question: "This is the SU-15 pilot. Here are the divers who found the wreckage of the Boeing. This is the ship from which they went down to the ocean floor..."

I did not shift my gaze away from their faces though, perhaps, I should have done so. I looked at their faces point-blank as my silent interlocutors viewed the photos.

There were almost no emotions. I saw a tear glisten in the woman's eye for barely a second—that was all. They have long stopped crying; after all, seven years have passed.

The pilot who shot down the South Korean Boeing and the divers who found the wreckage of the plane did not hold their attention long. They came to me for something else. They came to find out whether remains had been found and whether personal effects had been lifted from the ocean floor.

If bodies had been found, where are the remains buried?

How could they claim the belongings?

Or at least look at them?

As IZVESTIYA reported, in late September 1983 the Soviet side turned over to the Japanese 76 various objects, including clothing, for further transfer to South Korea. However, we did not report that the clothing looked uncommonly neat: There was not a single stain! My interlocutors told me that the impression they got was that someone in Russia had painstakingly taken care of the clothes—cleaned and ironed them—before turning them over to the Japanese authorities.

L. (this is what I will call this woman) said: "If I am not mistaken, there was a length of cloth among these objects. The fabric absolutely was not soiled, despite the fact that it should have looked very different after being underwater for quite some time. Meanwhile, there was not a single stain."

L. went on to say: "Also, they turned over women's shoes. They seemed to be very old-fashioned to me; too old-fashioned, with huge platforms. At the time, nobody wore them anymore. Where did they come from?. In general, there appears to have been only one thing there which could have been called modern—Calvin Klein jeans, size 8."

She said it automatically; she was not at all out to demonstrate how good she was at remembering small details. Simply put, there are no trifles for her or, for that matter, my other two interlocutors, where the destruction of the Boeing is concerned.

They know and remember everything that has ever been published, shown, or said about the tragedy over Sakhalin. It seemed to me that they were very well-versed even in strictly technical matters. Their speech was interspersed with all kinds of conventional abbreviations used by, for example, radar and tracking-station operators or navigators, as if they were operators or navigators themselves.

A. said: "In one of the pictures, I recognized my daughter's sneakers..."

I was surprised: "How could you recognize them?"

"I recognized them just like that. You see, there are all kinds of inconspicuous marks which strangers do not notice. This is how I recognized them. My daughter loved to wear them."

The conversation once again turned to the remains. I translated for them excerpts from the articles in IZVESTIYA by Andrey Illesh, and I warned them: What they were going to hear would be very distressing. They silently nodded:

"Read it."

I translated stories told by the divers, terrible stories which, I imagine, some U.S. newspapers would not agree to publish without deletions: The press here tries to spare the nerves of its readers.

They listened to this stone-faced.

I repeated to them what I had just read: "The divers suppose that the aircraft could have been empty."

...Several days before this meeting, I talked to a number of American specialists. I tried to learn from them what could have happened and why the bodies of the dead were not found. What was the likelihood of the remains being eaten by crustaceans or some microorganisms?

In the opinion of William Newmann [name as transliterated], a marine biology professor at a large California university, "even if we proceed from the supposition that crustaceans, or sharks, or someone else fell upon the flesh, the skeletons should have remained. In many cases, skeletons were found on the sea or ocean floor which had sat there for many years and even decades. In addition, the crustaceans would not have touched bones."

James Oberg [name as transliterated], who is known well to the readers of IZVESTIYA as the author of the book "Investigating Soviet Disasters," about which Andrey Illesh and I have already written, also ruled out the possibility of the crustaceans being the only factor. "The water is cold there, and for this reason the marine fauna is considerably less active than, for example, in tropical waters. Consequently, the probability of remains being preserved was higher than it would have been had the aircraft come down in a warm sea."

"May it be supposed that strong currents scattered the corpses?"

Both Oberg and Newmann answered: "In principle, yes."

"Could it be that the corpses did not float to the surface?"

Professor Newmann: "That depends on many factors. If abdominal cavities were not injured the gases accumulating there should have brought the bodies to the surface. If there were injuries, if the bodies were torn on impact, currents could have carried them away from the point of the aircraft's impact without floating to the surface."

James Oberg: "Remember that it took the downed plane about 10 minutes to plunge toward the ocean. During this time, many passengers, if not all, put on their life vests. In addition, they certainly strapped themselves in with seat belts. No matter how hard the aircraft hit the water, it is difficult to imagine all 269 people disappearing without a trace. Some of the passengers should have been carried to the surface precisely by their life vests. Some should have remained at the bottom strapped to the seats. All of them could not have disappeared."

Incidentally I encountered a theory during my conversations with specialists which appeared absolutely improbable to me. Nonetheless, I should mention it precisely because it was voiced by a specialist. This is the theory: The plane, whose body was not damaged too badly by missiles, hit the water at such an angle that the force of impact was minimal. The plane was not completely destroyed. Some of the passengers made it out of the cabin and, using improvised means, remained afloat until...

The specialist did not care to speculate what happened next.

The relatives of the dead who came to the office of IZVESTIYA correspondent refused to even allow the thought that the aircraft was empty.

They have different theories. One of them says that the bodies were recovered after all, and were buried secretly on Sakhalin. They support this version by referring to the fact that a certain Japanese journalist who came to the island at one point wanted to visit a cemetery, but they simply did not allow him to go there.

A. said: "We just cannot reconcile ourselves with the thought that the remains were not found. We are not emotionally ready, and we do not want to agree with this. We believe that 10 or 15 corpses could have disappeared, but that all of them disappeared..."

There were no tears in their eyes; their eyes have long gone dry with crying.

A Palekh brooch adorned the collar of a lacy blouse which L. wore to the office of IZVESTIYA correspondent. I refrained from asking her about it, but finally I did: "Why?"

"It is a gift."

She added:

"My husband was supposed to travel to your country, to the Soviet Union in 1984. He was a biophysicist."

L. is Korean-born; she holds an American passport. In September 1983, when there was a veritable explosion of anti-Sovietism in Washington, when yesterday's good friends simply failed to recognize me, when it was recommended that our diplomats leave the embassy as seldom as possible because of security concerns, the attitude toward us on the part of the Koreans who worked or lived in the American capital was much more restrained than that of the Americans. I was aware of this based on my own experience. Not a single Korean acquaintance of mine as much as hinted that he did not want to maintain the relationship anymore.

I still have not found an explanation for this.

...Virtually on their way out, my three interlocutors handed me a sheet of paper. Fourteen demand-appeals addressed to the Soviet Government were outlined on the letterhead of the Association of Families of KAL-007 Victims. These were demand-appeals to release to the public what is known about the Boeing tragedy, to announce what happened to the bodies of the dead, whether the "black box" was found, and whether the personal belongings of passengers may be turned over to their relatives. There were appeals to allow the relatives to visit Sakhalin and take part in future searches. There was a demand to pay compensation to the relatives, as the U.S. Government did after downing an Iranian passenger aircraft.

Also, I was handed a copy of the letter sent by the association to USSR Minister of Foreign Affairs Aleksandr Bessmertnykh which contained the following passage:

"Recent articles in the world press, and in particular in your newspaper IZVESTIYA, complicate the matter and hurt our families anew. An official investigation and an official explanation are necessary."

...I tried to help the woman with her coat. She refused very politely and firmly.

"After the death of my husband, I have been doing everything myself."

Her husband was flying to Seoul to his mother's funeral.

(To be concluded).

Part VI

915C0024 Moscow IZVESTIYA in Russian
9 Feb 91 Union Edition p 5

["IZVESTIYA Investigation; Reported From USA" by IZVESTIYA correspondent Aleksandr Shalnev: "Secret of Korean Boeing-747"]

[Text] **The article you will read now was submitted to me especially for publication in IZVESTIYA by the leaders of the American association of families of the KAL-007 victims.**

With this article I will complete the "American" part of the mystery of the Korean Boeing-747. True, I am sure that it will be necessary to return to this subject again and again. If only to report what the press in the United States is able to dig up regarding the tragedy over Sakhalin. And there are signs that the IZVESTIYA articles have awakened among the press in America an interest which seemed to have been lost without a trace a long time ago. The only problem is—and the Americans told me about this quite openly—that the main interests (on the part of the journalists and the editors and readers) is now related not to the Sakhalin events of seven years ago but the immediate events in the Persian Gulf, and therefore it is as though not much of anything else exists—regardless of how important this anything else may be. This is for the time being.

I absolutely do not rule out the possibility that we will hear something from Capitol Hill where they have carefully followed the articles in IZVESTIYA and where, in my assessment, we can expect more active searches for facts related to what happened more than seven years ago.

The IZVESTIYA articles also stimulated the interest of specialists involved in one way or another in the investigation of the Sakhalin tragedy. Some of them have already called the correspondent's office to set up meetings.

So it is still too soon to put the final period on the "American" reports.

VI.

New York—On 30 August 1983 it was a warm, humid, and somewhat cloudy day in New York. Toward evening it began to drizzle.

It was the end of the vacation season. Just before what we call Labor Day Weekend (on U.S. calendars Labor Day is the last day of summer vacation—A. Shalnev).

The 269 passengers and crew members began to gather that evening at John F. Kennedy Airport, in the American Airlines terminal, from which the Korean Airlines-007 flight to Seoul, South Korea, departed.

The group of passengers from 60 countries included 23 children under 12 years of age. Among the passengers were 75 Koreans, 61 Americans, 23 Taiwanese, 28 Japanese, 15 Finns, 12 Chinese from Hong Kong, 10 Canadians, and six Thais. There were 12 passengers in

first class. Six Korean Airlines employees were also on the flight—crew members returning to Seoul. There was also a family of four—a baggage service worker for Alaska International Airlines, his wife, and two children, who had been visiting his parents in New Jersey. They were flying back to Alaska, taking advantage of the discounted tickets offered to airline employees.

One passenger got caught in a traffic jam while hurrying to the airport from his office in New York and missed the flight.

The passengers were all different: Some were flying to Korea, Japan, Hong Kong, or other countries on business; some were going to visit friends or relatives; some were going to the funerals of loved ones; and some were returning home after vacationing in the United States. There were students and graduate students going to teach or study and tourists out to see the sights. Among the passengers was a member of the U.S. House of Representatives: He had missed the previous flight because the plane on which he was scheduled to fly from Atlanta, Georgia, to New York was forced to land in Baltimore because of the bad weather. This passenger was a member of a congressional delegation which was to go to Seoul to participate in the celebration of the 30th anniversary of the treaty between the United States and South Korea.

The aircraft for flight 007 departed New York shortly after midnight. After refueling and changing crews in Anchorage, it was to arrive at Kimpo Airport in Seoul at 0600 on the morning of 1 September. Flight 007 was never completed. The aircraft deviated from its assigned route and its flight was halted over Sakhalin. All the passengers perished. If one is to believe the official announcement, their bodies were never found.

Now, more than seven years after the tragedy, the families of the victims still do not know either the precise location of the rubble from the aircraft or what happened to their friends and loved ones.

Some of the fragments were cast up by the sea onto the shore of the northernmost part of the Japanese island of Hokkaido. Seventy-six different objects—fragments and also personal belongings—were turned over by the (Soviet) authorities to Japan. The main things were sneakers, a couple of toys, and pieces of fabric which one of the passengers was taking to produce models of fashionable clothing. There was also a scrap of a business card. Neither passports nor other papers the passengers would normally have nor baggage or other cargo from the aircraft was returned.

Since the families of the victims were not able to obtain any answers to their inquiries about the fate of their friends and loved ones, they joined together, creating groups in Korea, Japan, and the United States which obtain help from these countries in answering many of the unanswered questions related to the loss of the aircraft.

Just recently, after Senators Edward Kennedy, Bill Bradley, Carl Levin, and Sam Nunn sent letters to President Gorbachev and after THE NEW YORK TIMES began to publish articles by the journalist Richard Witkin concerning the possible investigation of the KAL-007 tragedy, after IZVESTIYA courageously conducted an exhaustive journalistic investigation, did they release certain shocking information about what happened, information that caused sorrow and pain.

But although people have now begun to talk again about the tragedy of KAL-007, the grieving families still do not know what happened to the bodies of their loved ones or where they are. The families want the bodies to be turned over to them for burial. The families want to know what happened to the personal effects of the passengers. They want to know why a civilian aircraft could be shot down in spite of the fact that international agreements contain precise instructions and rules regarding what to do with an aircraft that has wandered into foreign air space.

The families of the deceased want the opportunity to visit the location of the catastrophe and organize prayer services for their children, husbands, wives, relatives, and friends. They want the "black boxes" to be returned and they want all the reports (possible official investigations—A.Sh.) pertaining to the fate of the KAL-007 flight to be made public.

Although sovereign states are protected by immunity from paying compensation to victims of international tragedies, nonetheless there are examples where many countries have rendered aid to families who need it so that they can go on living and can feed their children. These questions should be considered as well.

And, finally, the families of the victims would like to meet with President Gorbachev and speak with him about that sad day—1 September 1983—when so many innocent lives were so thoughtlessly taken away.

With time the families of the victims of the tragedy have come to an understanding that through this sad event of their lives, their searches for questions that remain without answers, and their search for the bodies of their loved ones they can contribute to improving the safety of international travel. The families have begun to contribute to this actively, participating in projects directed toward modification of industry rules and instructions concerning international air travel, and improving the system of assignment of responsibility (in the event of occurrences on international lines—A. Shalnev). The families of the victims of the KAL-007 tragedy are helping the families of victims of other airline tragedies to cope with their sorrow and the problems that arise for them.

The families of the KAL-007 victims were cheered by the announcement from Vitaliy Ignatenko regarding the interest President Gorbachev showed in solving the problems related to the tragedy that occurred on 1

September 1983—in a solution in the spirit of openness, cooperation, and glasnost, for the sake of contributing to peace on earth.

Having sent their article to IZVESTIYA, the association's leaders asked that the article not be censored. This was an easy request...

FROM THE EDITORS: With this we complete the cycle of articles by Andrey Illesh from Moscow and Aleksandr Shalnev from New York based on the materials of the journalistic investigation that was conducted.

But people are continuing to call us and send letters to us, and the correspondents are being invited to all kinds of cities in the country—the people want to tell what they know. Moreover, we are expecting an interested reaction from the Ministry of Defense, the KGB, and the Ministry of Foreign Affairs, for we are sure that these offices have key information about the story of the Korean aircraft. Regardless of the response that may come from there, even if it is negative or mere silence, we intend to report it to the readers.

We are sometimes reproached for imprecision and repetition. Well, a journalistic investigation is distinguished from any other by the fact that it is largely unpredictable. But it takes place before your eyes and the readers become participants in it. And with all the possible shortcomings of this kind of investigation, it has the indisputable advantage—glasnost. And this is most likely why people who address the editorial offices are those who are ridding themselves of a heavy burden which has been lying on their souls for many years. Such a purge is the main point—but it is also a condition for making sure that one is never again used as a pawn in someone's game. A game in which the "highest political" or "state" interests are supposedly taken into account. But in which human dignity is not taken into account. Or even—human life. All that is left is for us to repeat: The investigation continues.

United States & Canada

U.S. Academics Discuss Need for Soviet Unity

PM0901115991 Moscow SOVETSKAYA ROSSIYA in Russian 5 Jan 91 First Edition p 5

[Report by TASS correspondent: "United States: Sovietologists' Opinion"]

[Text] New York—The preservation of the USSR as a single federative state accords with the interests not only of the Soviet Union but also of the whole world. That was the opinion voiced in talks with a TASS correspondent by leading U.S. Sovietologists who are analyzing the development of events in our country.

Jerry Hough, director of the Center for East-West Trade, Investments, and Communications at Duke University in Durham, North Carolina, is convinced that the USSR, in parallel with the United States and the leading European powers, is now a guarantor of peace all over the world. "This is why we cannot allow the Soviet Union's split," he declared.

For his part, Gregory Massell, professor at Hunter College, New York, and specialist on Soviet nationalities problems, pointed out the need "to persuade republics that they will be better off inside the Union than outside it." In order to ensure that the forthcoming referendum on the federation's future really reflects Soviet people's attitudes toward the Union, the vote must be held on the basis of reason rather than emotions, the U.S. expert emphasized.

There is, of course, an opposite viewpoint on this question in the United States. But even those adhering to it, who are conventionally classed as political "hawks" in the United States and frankly yearn for the Soviet Union's disintegration, are forced to take into account the changes in the public's attitudes toward the USSR. "I believe that your country must end its existence, but I do not wish it a violent and terrible end," Zbigniew Brzezinski, former assistant to the President for national security questions, said, for example. "This would be a tragedy."

Paper Notes Joint U.S. Conference on Democracy

PM1001101191 Moscow IZVESTIYA in Russian 9 Jan 91 Union Edition p 5

[TASS report: "Developing Legislative Democracy"]

[Text] People's deputies of the USSR and the Russian Soviet Federated Socialist Republic, U.S. congressmen, and political scientists from the USSR and the United States are participating in a Soviet-U.S. conference on problems of legislative democracy and constitutionalism, which opened in Moscow 7 January.

This forum has been organized by the CPSU Central Committee Social Sciences Institute and several U.S. organizations—the National Conference of State Legislatures, the Congressional Research Service, the National Academy for State Government, and others. Its participants are to discuss the question of creating a Soviet-U.S. Center of Legislative Democracy and Constitutionalism on the base of the Social Sciences Institute. Within its framework legislators of the two countries will make informal contacts for the purpose of exchanging experience of legislative activity.

USSR Vice President G.I. Yanayev spoke at the opening of the meeting.

What will be discussed at your conference, he said, is a load-bearing structure in any democratic state. Not only statesmen and politicians but—something which is, perhaps, more important—the broad public and the entire people must know and understand how democracy works and what its basic principles and mandatory attributes are.

Speaking about the building of a rule-of-law state, the speaker emphasized: We regard this as a lengthy process, in the course of which the state structure and an integral system of laws must take shape, democratic traditions must be accumulated....

Perestroyka has already brought Soviet society freedom and democracy. The administrative edict system has been undermined, and we are convinced that it will not be revived. It would be wrong to speak only of the positive results of perestroyka, however. Today the country's leadership and population assess the state of affairs in society as a crisis. Economic and political stability has been disrupted, public order and discipline have been sharply weakened, and interethnic relations have been exacerbated. Unfortunately, civic peace and concord do not exist in society. The social reactor is threatening to get out of control. While destroying and demolishing totalitarianism and struggling against its multifaceted manifestations, it seems to me that we have allowed positive, creative processes to lag behind. As a result of this "undocking," certain forces have begun using democracy itself as a tool of destruction. But democracy is not equivalent to anarchy, you know.

We launched perestroyka to ensure genuine people's power, which is a good, sacred goal. The guidelines for the current transformations are the supremacy of the law, the clear separation of legislative and executive power, the independence of the courts, and the granting of a wide range of social and political rights and freedoms to every individual. We see ourselves approaching these guidelines by way of the dialectical combination of socialist self-management with the years-long experience of representative legislative democracy which has developed in various countries of the world over several decades.

For us the defeat of democracy would spell the end of perestroyka, just as the defeat of perestroyka would be a

severe blow against democracy with all the ensuing tragic consequences both for our country and for the whole world.

Honest, free elections, which make it possible to reveal the whole diversity of interests and the citizens' common will, are the sign of real democracy, G.I. Yanayev went on to say. We have held such elections at all levels: all-Union, republic, local. Even though our adopted electoral system, as well as, incidentally, the structure of the elected organs, has weaknesses and shortcomings, no conscientious observer casts doubt on the consonance of the results of the past election campaign with the will of our citizens, the will of our voters.

As a result, the soviets have been joined by new forces reflecting a wide spectrum of sociopolitical interests. Deputies' groups and factions are quickly being formed, and their work is developing.

Naturally, what I have said does not mean that we are satisfied with the state of the democratic processes in our country. There are problems which arouse our special concern. For example, there has been a considerable weakening of executive power in the course of perestroyka. Yet society cannot exist without well-functioning managerial institutions. Or the problem of protecting democracy: The experience of many countries attests that democracy perishes unless it is capable of withstanding imperious ambitions. Our democracy also needs protection both against supporters of a return to the former times and against apologists for chaos, lawlessness, and the collapse of the state. Thus, life itself has brought us to the need to create political and state structures which accord with the processes taking place in society, it has brought us to the presidential form of rule.

U.S. Views on Banknote Withdrawal Cited

PM2501154991 Moscow IZVESTIYA in Russian 25 Jan 91 Union Edition p 2

[Report by IZVESTIYA correspondent A. Shalnev: "Wall Street View of Our 'Black Market'"]

[Text] New York—As "Timir Khomyakov, black marketeer," said, the removal from circulation of the 100 and 50 ruble [R] notes "will not hurt me in the slightest. All my money is in hard currency."

Timir Khomyakov was giving his impressions of the presidential decree to a NEW YORK TIMES correspondent. I doubt that he was using his real name. As for the job description—"black marketeer"—that was not my word but the one used by the correspondent, who was summing up the results of her own snap poll in a quite lengthy report from Moscow published Wednesday under the headline "Soviets Remove 33 Percent of Money." Those questioned on the Moscow streets included militiaman Aleksandr A. Smirnov, who said that with his R250 wages he "would not be affected by the new measures because by the end of the month he has no money left."

In the main U.S. newspapers—those which could be called central—on Wednesday I discovered only two items devoted to the presidential decree—items in THE NEW YORK TIMES and THE WALL STREET JOURNAL. These assessments are purely preliminary ones at the moment; more substantive ones will follow later.

In the JOURNAL's view, the decision taken by the Kremlin "will almost certainly arouse widespread discontent among the people.... Many ordinary people who keep their savings in cash or wno are forced to do extra work on the side to augment their meager incomes will suffer considerably." As THE WALL STREET JOURNAL notes, "the government wants to reduce the gigantic stocks of money not backed up by goods, stocks which in a recent IMF report were estimated at R250 billion—the aim being to try to restore the value of the national currency and halt inflation. But the underlying cause of inflation in the Soviet Union, like the problem of money with no goods to back it up, is the shortage of goods. If you remove banknotes from circulation without increasing production and supplies of goods at the same time, inflation is sure to surge.... The government will possibly now have to face new strikes and the prospect that various republics will refuse to fulfill the presidential decree."

I must say that the tone of THE NEW YORK TIMES' commentary is somewhat different: It is not so pessimistic. The newspaper calls the presidential decree a "dramatic attempt to control a faltering economy and a flourishing black market." "In a situation," the newspaper continues, "where there is practically nothing to buy in the stores, vast money savings simply force up the price of goods, many of which are illegally syphoned from the state system and sold on the black market at exorbitant prices. Dealers know that too many people have too much money and too few opportunities to spend it. A black marketeer could, for example, get R50,000 for a second-hand car which is not worth even one-tenth of that. The measures announced are to help curb such inflation."

As THE NEW YORK TIMES believes, the presidential decree "is one of the most dramatic steps taken by the government to stabilize the economy, introduce market mechanisms, and eventually produce a situation in which everyone can quite legally exchange rubles for any other currency."

On Wall Street last Wednesday I talked with Dirk Damrau [name as transliterated], vice president of Salomon Brothers, one of America's largest and most influential financial institutions. D. Damrau specializes in East European and Soviet problems. His view of the presidential decree is also just a preliminary one, he has not made a detailed analysis yet. His assessment is as

follows: "Possibly the removal of these notes is only the first step. Perhaps there will be new measures. I do not rule out the possibility that wage rises will be restricted and that prices will be 'freed,' that is, price restrictions will be lifted. It seems to me that it is necessary to stop printing more and more new money. Perhaps it is useful to look at Poland's experience.... I do not regard what the Kremlin announced on Tuesday as a monetary reform. As for the immediate results, black marketeers will suffer most."

Incidentally, on Tuesday Salomon Brothers announced the creation of a Soviet-U.S. joint venture called "Salmaz." Its Soviet partner is the "Almazyuvelirtorg" association. "Salmaz" will supply North America with metals in the platinum group—mainly for industrial enterprises—such as platinum itself, palladium, and rhodium. As John Gutfreund, Salomon Brothers chairman, said, "we are very happy that we are the first U.S. firm to cooperate with a Soviet company in supplying precious metals produced in the USSR."

Moscow Mayor Views Ties With U.S. Firms

LD1102202291 Moscow TASS in English 2002 GMT 11 Feb 91

[By TASS correspondent Igor Agabekov]

[Text] Moscow February 11 TASS—Moscow's mayor Gavriil Popov today told the Moscow City Council Presidium that during his recent private visit to the United States a number of U.S. firms agreed in principle to cooperate in the implementation of a number of economic projects in Moscow.

One of these projects is to build a factory to produce 15,000 cottages a year. Of these, 5,000 cottages will be sold to third countries by the American partners and 10,000 will be sold to Muscovites.

Cottages with the floor space between 30 and 40 square meters will have all modern conveniences.

American firms were also willing to build a factory to put out medicines and a delegation from these firms was expected to arrive in Moscow soon for negotiations.

During his visit to the United States, Popov also held talks on the building of a network of American-type cinemas in the Soviet capital.

Popov said some American firms were reluctant to deal with the Soviet Union and considerable efforts were required to reason with them. They said they preferred opening their subsidiaries in the Soviet Union and not setting up joint ventures, as they had doubts about their efficiency.

Popov then mentioned a project which needed additional consideration. He said a proposal had been voiced to build an independent university in the Soviet capital, paid by the American side. The proposal envisaged that both university staff and curricula would be imported from the United States. Americans believe that training at such universities could be more effective than the present practice of providing short-term courses for Soviet specialists in the United States.

Draft U.S. Budget Seen as 'Extremely Optimistic'

PM1202160591 Moscow PRAVDA in Russian 7 Feb 91 Second Edition p 4

[Report by correspondent V. Gan: "Unknown Quantity: Draft Federal Budget Submitted in United States"]

[Text] Washington, 6 Feb—...Like any newborn baby, first it was weighed. The needle pointed to quite an impressive mark—3.1 kg. Then it was measured—nearly 2,000 pages. Then they wrapped it in a glossy cover in the three colors of the U.S. flag, and sent it off to the U.S. Congress and the bookstores. The procedure honed over previous years did not let them down, and the draft U.S. federal budget for fiscal 1992 saw the light of day.

The country's chief financial document was immediately called a "wartime budget," although only isolated flashes of the Persian Gulf war are visible in it. Moreover the philosophy that forms the basis of the new budget deals with a peaceful life, and the administration itself formulated the budget as a contribution to the future. In his message to Congress U.S. President G. Bush states: "The budget gives special priority to a policy that will strengthen America's potential with regard to long-term economic development, and that gives citizens the ability to take the opportunity that America uniquely offers."

There is an obvious need for standard rhetoric on such occasions—the administration's economic calculations in one way or another determine the country's course and the direction of that course determines general prosperity. In this regard the present draft budget is no exception. Furthermore it is quite favorable, at least at first glance. It is only later, on very close examination, that you see how dilligently its authors must have worked to do the impossible and paper over the fundamental cracks.

In the foreword to the budget, R. Darman, director of the Office of Management and Budget, stated honestly: "There is a danger that all the assumptions are extremely optimistic."

In the opinion of many specialists, that is so. The basis of this vast budget of $1.445 trillion, of which $1.165 trillion is revenue, is a cheerful prediction that the economic recession now gripping the country will be insignificant and will be overcome by mid-year. Very many people here dispute that, just as they do the administration's predicted fiscal 1992 budget deficit of $281 billion.

As for domestic programs, the draft budget is in principle anti-inflationary. When redistributing federal appropriations, the administration is trying to mitigate

its effect on the politically most beneficial programs while reducing the support for other deemed less significant. For example, it envisages increasing funds for education, the fight against drug addiction, space research, and road building.

At the same time, the White House is proposing to reduce resources for such programs as farm subsidies, school meals, help for students, grants for medical aid programs for the aged, and housing construction for the poor.

There is particular interest in the draft military budget. "The reduction of the threat of war with the Soviet Union provides an opportunity to reduce and restructure the armed forces," the draft's authors assert, noting that for the most part it is designed in the light of improved Soviet-U.S. relations. In the fiscal year beginning 1 October 1992, it is planned that total U.S. military spending will be $295.2 billion or $3.7 billion less than this year. For the period to 1995 it is planned to reduce it by three percent annually. In the same period the military strength will be cut by 25 percent. The military department intends reducing purchases of some weapon systems which have hitherto played an important role in the combat readiness of the armed forces.

I do not want to bore the reader with figures. It must be noted, however, that all these calculations contain a large unknown quantity—the war in the Persian Gulf. Not only the Pentagon budget but the draft federal budget as a whole contains no spending on the present military operations. The administration is hoping that the U.S. allies will pay the lion's share. Otherwise, an additional request for appropriations will be sent to Congress for examination.

Reagan's budgets were invariably pronounced stillborn on arrival at Capitol Hill. The first reaction to the present document was incomparably milder. Perhaps the most scathing comment came from Senator J. Sasser, who said: "I would describe this budget as a document which makes you touch wood, close your eyes, and hope for the best." Many legislators, mainly democrats, expressed discontent at the fact that the White House is nevertheless intransigent in its refusal to raise taxes and focuses attention on the long-term prospects to the detriment of short-term prospects.

I presume that the absence of keen criticism is due to the situation in which the country now finds itself because of the war. I think that in the very near future the White House will have a "second front" to deal with in addition to Iraq—namely, the budget.

USIA Director Gelb's Career Described

PM1102123191 Moscow IZVESTIYA in Russian 8 Feb 91 Union Edition p 7

[Article by V. Nadein: "'Propaganda Secretary' Resigns; What Tone of Voice Will VOA Be Using Now?"]

[Text] Washington—USIA Director Bruce Gelb has accepted a White House offer to go to Belgium as U.S. ambassador, and he will go there cursing a cruel and artful Washington as long as this city does not play another nasty trick on him and "blackball" him when the House of Representatives is asked to approve his appointment.

This is perfectly possible, taking into account the former "propaganda secretary's" reputation, which is not devoid of eccentricity. People in the capital have long been telling amusing anecdotes about him in an undertone. They would have told them out loud, except that everyone knows who Bruce Gelb's school buddies and childhood friends are.

In case anyone did not know, Gelb himself hastened to dispel their ignorance by painting a vivid picture of his far-off childhood when he, Bruce, was defended against hooligans by a bold kid called George. Just so, George Bush. The U.S. President.

The U.S. Information Agency (we call it the USIA, from the initial letters of the English-language original) is a large state enterprise. It maintains international contacts, educational and cultural ties, and popular exchange programs between the United States and foreign countries.

The celebrated VOA, which broadcasts round the clock in English and 43 other languages, comes under this agency's radio broadcasting bureau.

Bruce Gelb became head of this department after Bush drove up to the White House—not without the active assistance of the Bristol Myers Company where Gelb himself served as vice president. The prestigious Information Agency with branches in 128 countries was the reward for a generous donor and childhood friend: an excellent job for someone who likes to travel at no cost to himself, and in comfort.

Gelb's total inexperience in propaganda work did not embarrass him, because during the cold war years the foreign policy propaganda apparatus had been polished to perfection. Editorial boards knew what to write about and to whom to broadcast, and money problems did not trouble this official department too much.

At first it did seem strange to the Texas businessman that the USIA was spending almost $3 on every issue of the Russian-language magazine AMERIKA, while the 50 kopeks received did not even cover the delivery costs. In time, however, he became accustomed to it. State subsidies everywhere create a regime of candid freeloading.

Many ordinary Americans do not even suspect that the USIA exists, since the expenditure, which exceeds $700 million a year, does not particularly stand out against the background of such multibillion-dollar programs as the army, education, and medical assistance.

No less important is the fact that Americans in their cities and towns do not see the fruits of the agency's

activity. The law prohibits the U.S. Administration from engaging in propaganda activity inside the country. Whether you live in the Oklahoma backwoods or in downtown Washington, you cannot buy the illustrated AMERIKA or hear the "Voice" known to most Soviet citizens.

Nurtured in an atmosphere lacking in competition, which is so rare in U.S. life, the USIA's propaganda works are noted, in the opinion of the few Americans who have access to them, for their staggering tedium. But since all this is disseminated abroad for free and radio broadcasts are not tied to advertising, there is no great demand on the creators.

Bruce Gelb has headed U.S. delegations to talks with the Soviet Union on problems of the exchange of information. He was able to instill a high degree of optimism in his partners in the talks, which usually sufficed until the next round. It took several stages in Moscow and Washington before enlightenment dawned and it became clear to everyone that other U.S. departments were simply taking no notice of the USIA head's promises.

But Bruce Gelb has been most renowned not for his promises, which he was the first to forget about, but for his frenzied quarreling with VOA Director Richard Carlson. Formally Carlson was subordinate to Gelb, but two serious attempts by the USIA chief to remove his subordinate failed, and associates simply lost count of the nonserious attempts.

Carlson was also a novice in Washington—but a very rich one. His contribution to the Republicans' election campaign had been more substantial than Gelb's. Fortune had not smiled on him in childhood, and he did not attend the same school as the President—so he had to be a rung lower. He is ready to go home to Southern California at a moment's notice, where a sumptuous house and everything that is modestly called prosperity await him.

Carlson prefers to serve his homeland not to earn his daily bread but to leave his descendants with fond memories. Free of wage fears, he is good-natured, generous, and affable and so is liked by many of his subordinates in the Noah's ark of the polyglot VOA. They were solidly behind him in Congress whenever another threat was hanging over Carlson.

The main area of B. Gelb's intrigues was funding. At first he did everything to ensure that the entire amount allocated by the budget came to him at the USIA, and then he himself would decide how much to give to VOA and how much to allocate to international exhibitions, exchange invitations to delegations, etc. Later, when this idea did not meet with White House support, he put forward a plan under which VOA did not need any money at all because the cold war was over and the need to broadcast to the Soviet Union and East European countries had vanished with it. But he was not successful here either.

Last year Bruce Gelb and Richard Carlson were "carpeted" at the White House, and it was suggested that they find an opportunity for reconciliation and an end to the extreme hostility. Both promised, but without enthusiasm.

Although the 64-year-old Bruce Gelb showed himself clearly useless at directing the agency's highly-skilled collective of almost 9,000 employees, his official position would have withstood many more clashes with subordinates if he had not recently shaken Washington with a quite incredible fantasy.

In the grip of a terrifying conjecture that Carlson remained invulnerable thanks to bugging devices installed in his office, one night Gelb summoned FBI specialists to the USIA.

A search lasting many hours, conducted with the help of the latest equipment, did not reveal a single "bug." A vexed Gelb left his devastated office toward morning without warning his secretaries. The scene of an apparent robbery was investigated by detectives urgently summoned from the local police. It was only toward midday, when the chief appeared, that the investigative work was halted—but by then Washington had erupted in laughter.

Some experts in White House ways maintain that an honorable removal soon awaits Richard Carlson, too. Others believe that the rumors to this effect issuing from the heights of the administration are aimed at calming the future ambassador to Belgium, who had demanded to be appointed to Britain but had then consented to Belgium on the condition that Carlson be dismissed without fail.

Both sets of experts confidently conclude that the cause of everything is the bureaucratic spirit inseparable from the very essence of official organizations which feed on the budget. Experts maintain that such squabbling is practically impossible in private companies, where the incomes of everyone, including the leaders, depend not on the charity of high state officials nor on a fortunate childhood or successes in quite a different field but on work results evaluated accurately and impartially by the consumer.

To all appearances, in the next round of talks on information problems our delegates will meet with Henry Catto, the present U.S. ambassador to Britain, or Edward Ney, his colleague in Canada. How will they treat the promises which Bruce Gelb made on behalf of the administration which has offended him so? In what tone of voice will VOA be speaking a month after that?

China

Bilateral Contacts in January Reviewed

OW0102124691 Moscow International Service in Mandarin 1400 GMT 31 Jan 91

[Text] In January, Soviet Deputy Foreign Minister Rogachev visited Beijing. He discussed the Gulf crisis, the Cambodia issue, and the situation on the Korean peninsula with the Chinese side. He also held dialogues with the Chinese side on reducing Armed Forces along borders between the Soviet Union and China and boundary issue.

Both sides reiterated their stands calling for the alleviation of tension in the Gulf area and noted the necessity of using all peaceful means to prevent the unimaginable escalation of war. On the Cambodia issue, both sides pointed out that various sides of the country must unify their views. Rogachev and his Chinese counterpart planned to continue their meeting with various concerned factions in order to establish a consultative committee on the Cambodia issue in the near future based on the principles of the Paris conference.

In January, a delegation of PRAVDA, the central organ of the CPSU, visited China to promote the development of coordination between papers of the two parties. The delegation was headed by (Afulchenko), deputy editor-in-chief of PRAVDA. Soviet guests gained experiences of China's economic reform and the work of China's party organization. Li Ruihuan, member of the Standing Committee of the Political Bureau of the CPC Central Committee, received the delegation and pointed out that the CPC and the Chinese people hope that the Soviet Union can successfully overcome various difficulties and that the relations between the two countries and the two parties will be further developed.

The Soviet Union and China will open a new flight route between Shenyang and Irkutsk. A plane of the Chinese Airline Company [CAAC] conducted a test flight. A flight route between China's Lioaning Province and Irkutsk of the RSFSR will be opened in June this year. At present, in addition to a flight route between Moscow and Beijing, there are flight routes between Alma-Ata and Urumqi and between Khabarovsk and Harbin.

Soviet and Chiense scientists held a joint science-technology symposium on space flight and space technology in January this year. The symposium was held in China's Harbin City. Scientists of the two countries made reports on the development of space flight, carrier rocket, survey, and naviation. The meeting played an important role in promoting exchanges between Soviet and Chiense scientists in the field of peaceful space exploration.

Rogachev Interviewed on Bilateral Relations

OW0601130391 Moscow International Service in Mandarin 1000 GMT 5 Jan 91

[Interview with Deputy Foreign Minister Rogachev by station special correspondent (Sharikhov), from "Along the Road of Friendship and Cooperation" Program—Rogachev's comments are in Russian with superimposed Mandarin translation]

[Text] [(Sharikhov)] Please tell us the achievements of the Soviet-Chinese relations in 1990.

[Rogachev] In answer to this question, this diplomat said: Reviewing the past, I maintain that there are achievements of which to be proud. Cooperation in political affairs, economic relations, trade, science, and technology as well as culture has continued to develop. We intensified our efforts in promoting high- level political dialogue. In April 1990, Li Peng, premier of China's State Council visited Moscow. One of the important aspects of our cooperation with China was to solve border issues. The task units were working hard. Last year, we entered a new phase where legal format was used to specify the agreed-upon plans. We and our Chinese comrades have decided through consultation that we will document, one by one, the mutually agreed-upon sections of the boundary.

[Rogachev] Then, these documents would be signed at high-level meetings and submitted to the highest organs of state power for approval.

[Announcer] Dear listeners, we are broadcasting the conversation between Rogachev, Soviet Deputy Minister of Foreign Affairs, and our station reporter.

[Rogachev] The Soviet Union thanks the Chinese comrades for sympathizing with our difficulties and supporting the reforms in our country. The Soviet Union also respects the reforms in China. Recently, the CPC held a plenary session of its party Central Committee. The Chinese comrades are building socialism with Chinese characteristics.

[Rogachev] We support this policy.

[(Sharikhov)] In your opinion, what is the main direction of Soviet-Chinese dialogue and the development of bilateral cooperation in the next few years?

[Rogachev] In my opinion, the main direction, which clearly has been specified, is that we will improve and consolidate the cooperation and its foundation, that have been established in the last one to one and a half years. Furthermore, we also will expand the legal basis for bilateral ties. Our two countries will sign a series of agreements in the future. Soon, the Soviet Union and China will mutually establish consulates general in Shenyang and Khabarovsk respectively.

[Rogachev] We plan to cooperate more thoroughly in this aspect. It is expected that there will be exchanges of

important visits between the two sides in 1991. We hope that Comrade Jiang Zemin will come to visit in 1991. I think that Comrade Qian Qichen, Foreign Minister of China, will come to visit the Soviet Union. During these two visits, some new agreements will be signed and some other new accords will be reached. We have a lot of work to do.

Both the Soviet and Chinese comrades have regarded fostering further bilateral relations as top priority in their own work.

PRC Official Views Reforms, Ties With USSR

91UF0302A Moscow TRUD in Russian 4 Jan 91 p 3

[Article by TRUD special correspondents O. Kvyatkovskiy, Yu. Sovtsov, A. Sukhotin, and V. Shchurov: "The PRC—A Plan and a Market Too"]

[Text] Beijing—The Seventh Plenum of the CPC Central Committee—13th Convocation has taken place in Beijing. In particular, the plenum examined plans for the country's economic and social development for 1991-1995 and prior to the year 2000. On the eve of the plenum, a delegation from TRUD, in China upon invitation of the newspaper JINGJI CANKAO, was received by Yuan Mu, a representative of the PRC State Council. During the course of the discussion, Yuan spoke with the delegation concerning problems the country faces.

Addressing the lessons of reform in China, he stressed in particular the complexity involved here and the close interrelationship between various aspects of the transformations. He indicated the necessity of their extended and careful accomplishment.

Yuan stated that in 1984, the decision was made in China to conduct structural reforms over five years and complete them in 1989. It has become clear today that it will take at least another 10 years to approach accomplishment of this task. Experience suggests that transformations in China must be directed towards perfecting the socialist system and not negating it, on facilitating the development of production and progress in society. Here it is necessary to overcome two tendencies—a dogmatic one, according to which everything is correct that was done in the past, and a negativist one, according to which all the achievements of the past are rejected.

Following the death of Mao Zedong, for example, the question arose of evaluating his activity in the position of leader of the country. Comrade Deng Xiaoping charted his course very precisely, stating that there were mistakes in Mao's activity, but good as well, and most party members agreed with him. This was a turning point. Otherwise, one might confidently state that the situation in our country could be far more adverse today than what you have in the USSR. For the influence of old feudal customs is very strong with us, and the level of culture and education of the majority of the population is not so high. Recognizing this, we believe there cannot be any hesitation regarding the basic principles of socialism—and primarily the leading role of the CPC. This constitutes our main difference with the rebels in Tiananmen Square last year.

In the sphere of economic transformations, which we consider to be most important—of primary significance—the conclusion was reached that for our economy there must be a combination of plan and market. State ownership of the means of production and social wealth must lie at its base. Private ownership can develop only on the basis of state ownership and supplement it, not interfere with it. At the same time, we recognize that the traditional planned economy is not capable of encompassing all spheres of production. Over the past 10 years, therefore, we have encouraged the development of private farms and achieved certain successes here.

We recognize full well that economic reform in the PRC should first of all make the forces of production available. Here people should immediately feel benefit from the transformations. At the same time, we must refrain from immediately breaking up our traditional political system. Reforms must be carried out in a stable environment and become an ordinary matter for people, not evoke their discontent. We have been conducting reforms for some 10 years now, and we will require another 10 years as a minimum. To effect transformations—whatever they might be—over a 500-day period is in our view unrealistic.

Assessing prospects for PRC economic development by the year 2000, Yuan Mu stated that China will double its gross national product over this period. Plans call for supporting the rate of economic growth at a level of six percent per year. By the end of the century, the population should amount to 1,280 million, thanks to measures limiting the number of births. In order to feed this population, we will have to increase grains production by another 100 million tons.

In the next 50 years the PRC population will increase to one and a half billion. China sees her task in being able to feed it using primarily her own resources, through intensification of agriculture. We cannot request assistance from others, said the representative of the Chinese Government, and in no way would we resort to aggression. Statements being propagated in the West in this sense—about the "yellow threat"—are groundless, he emphasized.

Addressing relations with the USSR, Yuan noted that these countries have a common border of 7,000 kilometers, that it is necessary to maintain and develop friendly ties. We do not conceal the fact that, during the course of transformations, we are proceeding not entirely in identical fashion, Yuan Mu stated. But whatever path the USSR pursues from here on, China intends to cooperate with it in many spheres. Friendship between our countries resides deep in the hearts of our peoples. External forces cannot topple it. We want the Soviet Union to

overcome its difficulties as quickly as possible, and we hope that it will remain a single powerful state.

Reports, Comments Evaluate Chinese Relations

Military Official's Assessment

OW1301120491 Moscow International Service in Mandarin 1000 GMT 12 Jan 91

[From the "Following the Road of Friendship and Cooperation" program]

[Text] Frequent military contacts between the Soviet Union and China can be considered an achievement of the two countries last year.

[Begin Khuzhokov recording in Russian with superimposed Mandarin translation] Last year we made big progress in our contacts with the Chinese People's Liberation Army [PLA]. We believe that the two sides are delighted with the relations built on a solid foundation. The Soviet Armed Forces have done their best to bring about all-round normalization of relations with our great neighboring country.

Last year, military subbureaus alone sent out a dozens or so delegations. Delegations from chemical warfare troops, logistics units, and civil defense forces of the Soviet Union and China held their first meetings in more than 30 years. The Central Museum of the Soviet Armed Forces in Moscow held an exhibition to celebrate the Chinese PLA's founding anniversary. That was a glorious chapter in bilateral relations. This year, contacts between the troops of the two sides will not be less than last year.

The meeting between Gorbachev and Deng Xiaoping in 1989 laid down a very effective formula for future development of relations between the two countries, namely, forget the past and open up the future. [end recording]

This Soviet rear admiral maintained that military cooperation between the two countries holds great promise.

Friendly Exchanges Foreseen

OW2401094091 Moscow International Service in Mandarin 1000 GMT 23 Jan 91

[From the "Following the Road of Friendship and Cooperation" program]

[Text] Listeners, we invited (Milov), secretary of the Central Council of the Soviet Society for Friendship With China, to give a talk. We asked him to speak about the exchange of delegations between the Soviet Society for Friendship With China and the China-USSR Friendship Association this year.

(Milov) said: Today, the task which life sets for us to fulfill is to promote, in an all-around way, the reforms in both the Soviet Union and China. This has certainly determined the nature of the delegations exchanged between the Soviet Society for Friendship With China and the China-USSR Friendship Association. We are continuously developing routine contacts in the departments concerned. This year we plan to dispatch activists of the Soviet Society for Friendship With China, who are representatives of agricultural enterprises in the suburbs of Moscow and Leningrad, to build contacts with agricultural units near Beijing and Shanghai. In addition, we also plan to hold a joint Soviet-Chinese meeting in China to discuss the building of special economic zones and joint ventures. A delegation of traditional Chinese medical experts in acupuncture and moxibustion will also come to our country to share their experience with Soviet doctors. Additionally, a delegation of light industrial enterprise leaders will visit our country to develop cooperation with our light industrial departments.

(Milov) said: We think it is of great significance that Han Xu, president of the Chinese People's Association for Friendship With Foreign Countries, will visit our country in May. (Milov) continued: In addition to the exchange of delegations between the two traditional partners of cooperation, the Soviet Society for Friendship With China and the China-USSR Friendship Association, we will also invite a delegation from the China Association for International Friendly Contacts to visit our country. We wish to build good relations with this prestigious association to promote friendly contacts on a constant and planned basis.

In conclusion, (Milov) said: In addition to the Soviet Society for Friendship With China and the China-USSR Friendship Association exchanging delegations, we will also hold a photographic exhibition on the modern Soviet Union in Beijing and Shanghai this year.

'Positive' Border Talks Noted

PM0402084991 Moscow IZVESTIYA in Russian 2 Feb 91 Union Edition p 4

[TASS report under the general heading: "Official Reports"]

[Text] A regular meeting of the Soviet-Chinese border talks working group was held in Moscow 18 through 31 January.

Sections of the border between the USSR and the PRC which have not yet been agreed were discussed.

The working group participants were received by I.A. Rogachev, head of the Soviet Government delegation at the Soviet-Chinese talks and USSR deputy foreign minister, 31 January. During the talks, which were attended by Yu Hongliang, PRC ambassador to the USSR, both sides noted that certain positive results had been achieved during the meeting of the working group. The next meeting of the working group will take place in Beijing.

Joint Building Venture Viewed

LD2901131691 Moscow TASS in English 1242 GMT 29 Jan 91

[Text] Nakhodka, Soviet Far East, January 29 TASS—The administration of the Nakhodka zone of free enterprise has begun to use the right to full independence. It has registered the Dana joint Soviet-Chinese architectural-building venture.

Its founders include—on the Soviet side: the Nakhodka city executive committee and several building organizations and on the Chinese side: the Dalan association for international economic and technical cooperation.

Until recently, the solution of such questions was the prerogative of the USSR Council of Ministers. However, Nakhodka's special status, granted it by the Russian government, enables it to settle them independently, avoiding high places.

Dana general director Nina Tyutryumov said the joint venture would specialize in designing and building the infrastructure of the free economic zone. It will first help build a health center oriented towards Chinese popular medicine and offering wide sports services.

In addition the Dana joint venture will build houses for Nakhodka residents, open a Chinese restaurant and pursue commercial activities.

First Space Research Meeting Held

LD0801101591 Moscow TASS in English 0931 GMT 8 Jan 91

[By TASS correspondent Vladimir Fedoruk]

[Text] Beijing January 8 TASS—The first joint Sino-Soviet symposium on space research and the utilisation of space technology ended in Harbin, the administrative centre of the north-eastern Chinese province of Heilonjuang, on Monday [7 January].

Participants in the symposium considered more than 150 reports on various branches of space science, including technology for the production of booster rockets, measuring and navigation equipment, and aerodynamics.

The symposium was arranged by the Harbin Industrial University and research institutes of Chinese Ministries of Aviation and Space Industries.

City-to-City Highway Link Built

OW0602143291 Moscow International Service in Mandarin 0100 GMT 6 Feb 91

[Text] Cars will be able to travel between Leninskoye and China's Tongjiang City in the Far East before spring arrives. On Tuesday, the first convoy of cars loaded with export materials left the USSR for China via this 40 km highway built along the banks of the Amur River.

According to an agreement, the USSR will transport large quantities of exports, such as chemical fertilizers, to China via this highway. The highway was a joint project of experts from the two nations. It will be the most convenient and economical route between Khabarovsk and Heilongjiang Province.

Progress Reported on Chinese Dissident Trials

PM2901140891 Moscow IZVESTIYA in Russian 28 Jan 91 Union Edition p 5

[Report by Yu. Savenkov, plus unattributed "Stop Press" item: "What Is in Store for Wang Dan?—Dissident Trials in China"]

[Text] Beijing—A trial has been going on for several weeks in Beijing regarding the role of many leading activists in the demonstrations of spring and summer 1989. Some of them have already been sentenced.

In particular, the official agency XINHUA has announced that "nine individuals who violated the law during the events aimed at overthrowing the government" have been found guilty. Two were spared punishment—their involvement was deemed insignificant, they had repented and undertaken to atone for their guilt. Seven received periods of imprisonment ranging from two to four years, and most of them were also stripped of political rights for one year.

Western observers consider the sentences fairly lenient, but many of them are protesting against the idea that political activity should be punishable. (Incidentally, some years ago, a group of Chinese legislators suggested that the point in the PRC Criminal Code on "counterrevolutionary crimes" should be abolished on the grounds that times had changed). Thus, Sidney Johns, executive director of an organization for human rights in Asia which is soon to open a permanent representation in Hong Kong—the only one outside the United States—thinks: "The protests were peaceful, and therefore it doesn't make sense to convict the participants."

The more well-known dissidents will be tried in the near future. The trial is expected to be over by the end of February, in any case before the next session of the All China National People's Congress which traditionally opens in March. In particular, the agencies have reported that Wang Juntao, editor of the weekly WORLD ECONOMIC HERALD, and Chen Ziming, director of the private sociological center which published that newspaper, have been charged with "inciting counterrevolution and attempting to overthrow the government."

There were hints about the forthcoming trial of Bao Zunxing, who played an active role in the antigovernmental actions. Recently, the beginning of the hearing of Wang Dan, one of the student leaders, was announced. At the entrance to Beijing city court, which, incidentally, is situated near Tiananmen Square, this short announcement was made: "Wang Dan is charged with counterrevolutionary propaganda and agitation."

Wang Dan, a student in the history faculty at Beijing University, is from a family of intellectuals. It is well known that the 23-year-old student commanded great respect among the participants in the 1989 movement. He played a key role in the street protests and the lecture boycott. Indeed, he led the delegation which handed a petition over to the government and legislators voicing student demands for political reform, including freedom of the press.

Rumors circulated that the trial could be held in camera. Officially, this was refuted. Students from Hong Kong, for instance, who had come over on tourist visas were refused entrance to the hall. "The court is not a tourist attraction," was the official reply. Li Chaosin, a Chinese Foreign Ministry spokesman, was asked at a briefing: "So how open will this trial be? What is in store for Wang Dan?" This was his reply: "This procedure is being directed by the competent Chinese organs. These organs are independent and outside forces cannot be allowed to interfere."

A few days ago, a group of human rights activists (many of them ethnic Chinese) from the United States, Canada, England, and the Netherlands tried to gain entry to the court session but were refused: "No foreigners allowed." A commentary in the newspaper RENMIN RIBAO sharply criticizes human rights champions: "Western capitalist nations have always used human rights as an integral part of the conspiracy to promote the 'peaceful evolution' of socialist nations." Let me remind you that in recent times the term "peaceful evolution" has often been used by China's press when talking about foreign forces hostile to China which apply economic and political pressure to obtain, in the eyes of the Chinese press, the peaceful degeneration of China's socialist society.

Recently, Li Chaosin, the Chinese Foreign Ministry spokesman, stated that the accusation that China is exploiting improved relations with Western countries to get even with political dissidents does not correspond to the facts and damages the good relations between China and other states. At any rate, the human rights problem—the stumbling block in China's relations with the United States and other Western countries—has not been taken off the agenda. [Savenkov ends]

Stop Press—Wang Dan, charged with "serious crimes" which have not been specified in detail, was given a "minimum sentence" of four years imprisonment. The court took account of Wang Dan's confession and his exposure of others. Ren Banding received the harshest sentence—seven years imprisonment with a three-year political disfranchisement.

CPSU Delegation Head Views Recent China Visit

OW0601030091 Moscow International Service in Mandarin 0700 GMT 5 Jan 91

[Text] A CPSU delegation visited China around the New Year. The Soviet guests used this opportunity to familiarize themselves with the work experiences of the CPC and other social and political organizations in China. The Soviet delegation met with representatives of the CPC Central Committee, various localities, and workers' organizaions. The following is a talk by Kuptsov, head of the CPSU Department of Liaison with Various Political Organizations in the Society, when he was interviewed by a reporter of this station:

Kuptsov said: First of all, I wish to point out that the delegation's visit to China was made in accordance with the agreement between the Communist Parties of the two countries. The agreement was signed shortly after the historic summit between the Soviet Union and China in May 1989. Now, we can say with confidence that the development of CPSU-CPC relations is a stable. Both sides have shown concern for the development of relations between the two parties, and appropriate agreement has been reached in this respect.

Kuptsov continued: In particular, I wish to point out that we have acquainted ourselves with an abundant amount of the CPC's experience in its liaison work with various social organizations in China. We are facing precisely the same task, and so are very much interested in learning from those experiences. Of course, each party has its own special characteristics in this work; but the exchange of ideas is a very meaningful thing. Our exchange of experiences was carried out amid a comradely atmosphere. All of our questions were answered fully by the Chinese side. It was with great interest that we became acquainted with the CPC's experience in the economic field and personally witnessed achievements of this work. There are many experiences in this field that can be used by us inasmuch as the fundamental orientation of economic reform in the Soviet Union actually accords with China's economic reform.

In conclusion, Kuptsov said: In short, we are very satisfied with the results of our visit to China. The aim of the visit was to sum up the results of our joint efforts in developing our mutual relationship since the beginning of 1990. Those efforts have been very effective and successful. I believe that we will make further progress in this sphere of work in 1991.

Reports Examine Chinese CPC Committee Plenum

Results Scrutinized

91UF0299A Moscow IZVESTIYA in Russian 1 Jan 91 Union Edition p 4

[Article by Yu. Savenkov: "Up to the Next Century"]

[Text] Beijing—The outgoing year was marked by an important political event in Beijing. The CPC Central Committee Plenum just finished. The 1990's are key in the historical process of the modernization of socialist China. We should make use of the opportunities that are given to us by history, receive the summons, and labor steadily for the achievement of the second strategic goal of modernization (doubling of the Gross National

Product in comparison with the end of the 1980's and achievement of a level of "limited sufficiency"—Yu. S.), and first and foremost raise the quality of the national economy to a new level. That is the way the communique of the CPC evaluates the upcoming decade.

Noting that China is faced with a complex and endlessly changing international situation, the plenum's participants insist that the very first task is to take care of China's domestic concerns, particularly the tasks of raising economic efficiency, noticeably improving the quality of production, developing agriculture in a stable fashion, and increasing the vitality of industrial enterprises.

China should rely on its own forces. The thrift and zealous labor of several generations—only they will be able to revive the country. Foreign capital and technology should merely accompany the efforts of the people. That was the position of the plenum, which approved the outlines of a strategy to the year 2000, the outlines of the Eighth Five-Year Plan (1991-1995) of economic and social development, and the tasks facing the country.

A long-awaited report on the end of the plenum appeared in all the newspapers (in China it is not acceptable to report on the beginning of this type of important meeting). The story of the plenum was not the usual one. It was expected in October, then in November. Finally, it seemed that the National Conference, in which participated the leaders of the economy, central governmental planning, and the provincial departments, made all the necessary preparations at the beginning of December. But the plenum opened only on Christmas day and finished on the eve of the New Year.

The official report on the plenum confirms the predictions: No changes took place in the Politburo and the Secretariat. Analysts believe that this was done in the name of preserving unity and stability (the changes, apparently, have been put off until the next plenum in the first half of the coming year). Continuation of political reform is mentioned very briefly in the communique. Yuan Mu, speaker of the State Council, recently expressed the thought that reform of the political structure should go hand in hand with the demands of reform of the economic structure; otherwise, it will not be possible to enjoy its fruits.

What about economic reform itself? The communique makes superficial mention of the need for coordinated and integrated reforms of enterprises, prices, finances, taxation, banks, investment, and wages. But, as many observers believe, bold reforms should not be expected in China in the near future.

Thus, the plenum took the side of a cautious approach to reforms (some believe that it is too cautious). Specialists are guessing whether the period of regulation begun two and a half years ago will last long. The majority believe that it will be another one to two years, but one thing is perfectly clear—the plenum called loyalty to socialism with a Chinese coloring the main guarantee of the fulfillment of the five-year plan.

Described as 'Optimistic'

PM1001171391 Moscow PRAVDA in Russian 8 Jan 91 Second Edition p 5

[Report by PRAVDA correspondent B. Barakhta: "Path of Reform Not Running Smooth"]

[Text] Beijing—The seventh plenum of the CPC Central Committee, 13th convocation, worked for six days in Beijing on the eve of the new year. When it is finished, the front pages of the central newspapers carried official information reports on the decisions adopted.

The plenum was an important event not only for the party but for the whole of this vast country. Fulfillment of the Seventh Five-Year Plan has been successfully completed. Under CPC leadership, the PRC has achieved visible success in its reform of industry and agriculture, development of science and culture, improvement of the working people's well-being, and implementation of a policy of openness. The political situation in the state as a whole is stable.

At the same time, China's progress along the path of reform and development of ties with the outside world has not been ideally smooth. Serious economic difficulties in the last two years have introduced substantial amendments to the government's course in the national economy and prompted a tough policy of regulation.

The plenum participants had to analyze the country's difficult progress in recent years along the path of building socialism with local specifics and expose "weak points" and errors in the party's course with regard to developing the economy and building material and spiritual culture. On the basis of this businesslike analysis, they had to develop fundamental directives and political policy not only for the next five years but through the end of the 20th century. According to the newspaper RENMIN RIBAO, the plenum dealt successfully with the tasks facing it. An important speech was delivered by Jiang Zemin, general secretary of the CPC Central Committee.

The plenum participants focused their attention on two fundamental draft documents: "The CPC Central Committee's Plans for National Economic and Social Development in the Next 10 Years" and "Directives of the Eighth Five-Year Plan." Li Peng, premier of the State Council, gave explanations on the draft plan for the PRC's socioeconomic development in the next five years.

What kind of tasks will Chinese Communists be setting the country in the foreseeable future? First of all, we should point out that the plenum once again emphasized the ruling CPC's loyalty to the ideals of socialism and the ideas of Marxism-Leninism and Mao Zedong, its unwavering policy of building socialism with consideration

for national features, and its commitment to a policy of reform and openness. Plenum participants noted approvingly that the large-scale transformations initiated in China by Deng Xiaoping at the end of 1978 have radically changed the face of backward China and brought a certain degree of prosperity to virtually every family.

At the same time, not wishing to flatter themselves with their achievements, plenum participants said that so far only the first steps have been taken with regard to effecting socialist modernization and turning China into a modern power. In this connection, the plenum documents place fulfillment of four very important tasks on the agenda.

The Chinese people's main efforts in the 90's will be focused on implementing the second strategic stage in the country's radical transformation. The GNP must be doubled by the end of the century. Calculations must be based on 1980's prices in this respect. As far as living standards are concerned, Chinese Communists believe that it is no longer enough for the people to be fed, dressed, and shod. The country must move on to the next stage: raising living standards to a qualitatively new level. Finally, the national economic policy of relying on public ownership and developing a market-regulated, planned economy will remain unchanged.

The plenum analyzed specific "weak points" which have to be "dealt with" in the coming five-year period. It devoted special attention to agriculture. After all, this is a vitally important question for a country with a population of 1.3 billion people. In addition to supporting the family contract, the state intends to do its utmost to encourage all forms of collective labor in rural areas. On this basis the Chinese Communists hope to achieve a new breakthrough with regard to increasing agricultural output.

As in the previous five-year period, considerable forces and resources will be used to develop base sectors of industry, transport, and energy.

In short, the Chinese Communists link a positive future for the country to progressive, steady, balanced development of the economy. They stress that achieving success in the national economy and improving the working people's well-being cannot be separated from domestic political stability and national unity.

The plenum said that the PRC will continue to follow an independent foreign policy which aims to strengthen peace throughout the world.

The plenum's decisions are optimistic and it has set lofty objectives, but Chinese Communists believe that they are perfectly within their reach.

Mongolian Leader's Visit To China Viewed

OW2801102891 Moscow International Service in Mandarin
1400 GMT 27 Jan 91

[Commentarty by observer Alekseyev]

[Text] A delegation of the Mongolian People's Revolutionary Party [MPRP] headed by Gombojabyn Ochirbat, chairman of the MPRP Central Committee, will visit China from 28 January to 4 February. Alekseyev, an observer of this station, writes:

Both Mongolia and China believe that the development of ties between the MPRP and the CPC is of great significance. It is specifically for this objective that Ochirbat will visit China. In a recent statement to UNEN, Bathyshyg, member of the MPRP Central Committee Presidium, said that current MPRP-CPC ties will play an important role in deepening MPR-PRC good-neighborliness and cooperation.

The MPRP and the CPC simply did not have any contacts during the past 25 years. Their ties were severed due to the deterioration in the two countries relations, which were not normalized until the second half of the 1980's. The normalization process comprised three major stages: In 1988, the two countries signed a treaty settling their border issues; in 1989, the two countries' foreign ministers exchanged visits, and both sides maintained that they were hallmarks of the full normalization of the two countries' relations; and last year, Mongolian President Punsalmaagiyn Ochirbat visited China. Both sides maintained that the first summit meeting between Mongolian and Chinese leaders in 28 years was an important event, which opened a broad prospect for the two countries' cooperation for mutual benefit in all spheres.

As the two countries' relations develop, so do the relations between the two parties. The MPRP delegation's forthcoming visit will undoubtedly be proof of the continuous development of this process.

As far as MPR-PRC relations are concerned, I would like to point out that the measures the two countries have taken in the military field have also helped to consolidate the two countries' relations. Ulaanbataar maintained that the reduction of 1 million Chinese troops is a significant event. Measures taken by Mongolia also have been evaluated highly by China. While reducing its troops, Mongolia also reached agreement with the Soviet Union on the withdrawal of Soviet troops from Mongolia. Three-fourths of Soviet troops stationed in Mongolia already have been withdrawn from Mongolia, and the remainder will leave by the end of this year.

The ties of good-neighborliness and cooperation between Mongolia and China have a direct link with the rapid development in Soviet-Chinese relations. Mongolian President P. Ochirbat has emphatically pointed out that

those developments are two factors in the process of improving the situation in Asia.

Taiwan Seeks Fishing Rights Agreement

PM2301114591 Moscow IZVESTIYA in Russian 5 Jan 91 Moscow Edition p 1

[Item from agency roundup: "Taiwan Seeks Alternative"]

[Text] Following the loss of its South African fishing rights, Taiwan is trying to reach agreement on fishing in Soviet and Vietnamese waters, local sources have reported.

Taiwan May Reconsider Policy With Mainland

OW0802204391 Moscow International Service in Mandarin 1300 GMT 8 Feb 91

[Text] According to a spokesman of the Taibei [Taipei] authorities, Taiwan may reconsider the policy of three no's toward the mainland, should Beijing formally renounce the use of force against Taiwan.

He said that the Taiwan side is expecting the mainland's response to the proposal by [President] Li Denghui [Li Teng-hui]. Li Denghui has promised to lift the state of war with the mainland this May.

Taibei's current three no's policy means that there is no direct postal, transport, and trade links with the mainland.

Northeast Asia

Soviet-Japanese Conference on Cooperation Held

Japanese Official Previews Talks

LD2901094291 Moscow TASS in English 0918 GMT 29 Jan 91

[By TASS correspondent Aleksandr Kopnov]

[Text] Tokyo January 29 TASS—Isamu Yamashita, chairman of the Japanese-Soviet Committee for Economic Cooperation, said that Japan could help the Soviet Union enact economic reforms drawing on its experience and knowledge.

He made the statement in an interview with several local newspapers today in conjunction with the opening of the 13th joint session of the Soviet-Japanese and Japanese-Soviet committees for economic cooperation in Tokyo on Wednesday.

In the reply to a question from a Sankei Shimbun correspondent, Yamashita noted that acquiring knowledge about a market economy was crucial to the USSR.

"During my visit to Moscow late last year, I realised that they do not understand well enough the meaning of such key notions as shares and bonds. I think managers of Soviet plants and students should be invited to Japan to study the performance of a market economy and gain know-how.

"In addition, many Soviet defence factories are now being converted to produce consumer goods. In view of this, our countries could think about building a peculiar model of a Japanese enterprise producing consumer goods in the USSR, at which Soviet specialists could train," Yamishita said.

Asked by a MAINICHI correspondent about problems in the development of Japanese-Soviet relations as a whole, Yamashita said that boosting humanitarian contacts was of major importance here. He said the number of Soviet people arriving in Japan had increased significantly lately.

"Japanese also began to visit the USSR more frequently. Such ties, including student exchanges, are of immense importance to the future of Japanese-Soviet relations as they create an atmosphere of trust between the two countries," he said.

On the Japanese delegation's stance at the joint session opening on Wednesday, Yamashita noted that Perestroika had approached "an exceptionaly serious point".

"We would like to know how the economic system as well as the political system, which is defined by the former, will develop in future and hear views about ways to manage industry and about policy in the field of foreign investment. Relying on this, we intend to explore opportunities for deepening bilateral economic ties," Yamashita said.

He said at the same time that a view prevailed among Japanese employers that doing business with the Soviet Union involved risk. The session will, however, discuss joint projects to develop oil, gas, coal and forest resources, which require bilateral governmental guarantees. Yamashita said it would be bad if the partners failed to make progress here.

Talks Open in Tokyo 30 Jan

LD3001102191 Moscow TASS in English 1011 GMT 30 Jan 91

[By TASS correspondent Vadim Yegorov]

[Text] Tokyo January 30 TASS—The thirteenth Soviet-Japanese economic conference opened in Tokyo today, aiming to expand bilateral trade and economic relations, as preparations for President Mikhail Gorbachev's visit to Japan is entering its final phase.

The conference aims to consider at the governmental level aspects of a number of economic agreements expected to be signed during Gorbachev's visit to Japan. These include agreements on commodity turnover and on payments in 1991-1995, coastal trade and cooperation in space exploration and nuclear power engineering.

The leaders of ministries, departments, major companies and enterprises and representatives of leading research organisations are taking part in the conference.

Representatives of individual Soviet republics and regions, especially in Siberia and the Far East are for the first time included in the Soviet delegation led by Chairman of the Presidium of the USSR Chamber of Commerce and Industry Vladislav Malkevich.

Expectations Expressed

OW0102124991 Moscow in Japanese to Japan 1200 GMT 31 Jan 91

[By Tokyo correspondent (Kudrin)]

[Text] The 13th joint session of the Soviet-Japanese and Japanese-Soviet Economic Cooperation Committees opened in Tokyo on 30 January. In this regard, Radio Moscow Tokyo correspondent (Kudrin) filed the following report:

All the participants pointed out that the major tasks of the current session lie in summarizing the joint economic activities carried out between the two nations as well as working out practical programs for future cooperation. The two sides also expressed their expecations that the joint session will become part of the efforts to pave the way for President Gorbachev's scheduled visit to Japan in April.

For this purpose, it is, first of all, necessary to turn various tasks connected with bilateral trade and economic relations into concrete programs. It is also hoped that the outcome of the joint session will provide more substantial details to the first Soviet-Japanese summit talks in history.

The major difference between the current session and the earlier sessions lies in the fact that representatives from various regions and oblasts in Siberia and the Soviet Far East are taking part in the session for the first time. Siberia and the Soviet Far East have been constantly engaged in frank dialogue with Japanese partners, and they directly established trade and economic relations at the regional level.

Although the session just started, the two sides already reached the first conclusion through exchanges of opinions. Malkevich, president of the Soviet Chamber of Commerce and Industry, who served as head of the Soviet delegation, said the following in an interview with Radio Moscow.

Here is what President Malkevich stated:

[Begin Malkevich recording in Russian fading into the Japanese translation] The session just started. A fairly clear blueprint for our future activities has already been mapped out, however. First comes the investment in Siberia and the Soviet Far East. The Japanese side will first engage in developing local natural resources, and then provide us with technologies, particularly most advanced technologies. This is entirely a new idea, which would not even have been mentioned at the sessions held several years ago.

Furthermore, ideas such as the establishment of free economic zones in Nakhodka area and on Sakhalin island as well as joint development were also brought up. It is expected that talks will be concluded before April and that agreements on various large-scale projects, such as the development of forest resources as well as of the (Vostochnyy) area, will be signed at the government level. Due to difficulties caused by the domestic situation in the Soviet Union, the Japanese side cannot but adopt the wait-and-see approach. [end recording]

This is what President Mal'kevih stated.

Meanwhile, Isamu Yamashita, chairman of the Japanese-Soviet Economic Cooperation Committee, served as the head of the Japanese delegation. Concerning the current session, Chairman Yamashita stated as follows:

The Japanese side brought up various topics of particular significance while the Soviet side fully explained the actual economic situation in the Soviet Union. I feel that our mutual understanding, which is the basis for the talks that will start tomorrow, has been considerably deepened since we have come to understand each other. I hope that the meeting will end with good results.

Correspondent (Kudrin) continued to ask what he thought of the current session, which is being held on the eve of President Gorbachev's scheduled visit to Japan in April? In reply to this question, Chairman Yamashita answered as follows:

For our part, as businessmen, we extend our sincerest welcome to Gorbachev's visit to Japan. I think we will be able to promote economic cooperation in the future through mutual understanding of each other's situation. I think that the president's visit to Japan will contribute to further promotion of your understanding of Japan's economic situation and that it will provide a chance for the Japanese Government to obtain useful information.

What is most important is that frank talks based on actual situations can be held in the same way as we have done today. When the future is taken into consideration, the most urgent task at present is to promote economic relations between Japan and the Soviet Union, our close neighbor, and the Soviet Far East in particular. From our standpoint, since we are close neighbors, we can make contacts in various fields. We feel that we can promote our relations through such contacts. In this connection, I think it is most favorable that many people from the Soviet Far East are participating in the current session.

This is what Chairman Yamashita stated.

IZVESTIYA Cites Pavlov Greetings

PM0502111791 Moscow IZVESTIYA in Russian 30 Jan 91 Union Edition p 3

[Greetings message from USSR Prime Minister V. Pavlov "To the Participants in the 13th Joint Conference of the Soviet-Japanese and Japanese-Soviet Committees for Economic Cooperation"; date not given]

[Text] I cordially greet the participants in the joint conference of the Soviet and Japanese committees for business cooperation.

This year the conference is taking place in a period of active preparation for a great event in relations between our countries—the Soviet-Japanese summit. We hope that the visit of USSR President M.S. Gorbachev to Japan will lend new dynamism to the development of multifaceted and broad contacts and ties between our countries, including in the sphere of economic relations. Constructive Soviet-Japanese dialogue and the expansion of our bilateral trade will undoubtedly serve as a factor of stability in the Asian-Pacific region.

In the 25 years since the first Soviet-Japanese economic conference, we have acquired a great deal of experience in business cooperation. There have been problems and difficulties, some of which remain to this day, but there have also been achievements which we must not forget. An important result is that we have learned to take one another's interests as the basis for the development of economic relations between our countries.

I believe that our countries' business circles can do a great deal to bring the Soviet Union and Japan closer together and make their cooperation more fruitful in the interests of the Soviet and Japanese people and in the interests of strengthening peace.

I wish the participants in the conference successful and productive work.

[Signed] V. Pavlov, USSR prime minister

Important for Gorbachev's Visit

LD3101212291 Moscow TASS in English 2104 GMT 31 Jan 91

[By TASS correspondent Vadim Yegorov]

[Text] Tokyo January 31 TASS—Soviet and Japanese representatives of the sub-committee on trade, which meets in a session within the framework of the 13th conference of the Soviet-Japanese and Japanese-Soviet committees on economic cooperation, today expressed the view that the unbalanced nature and the lop-sided orientation of Soviet exports remained the salient features of Soviet-Japanese trade.

Both sides regard the conference as an important stage in preparations for Soviet President Mikhail Gorbachev's visit to Japan.

Opening the meeting, Tomiichi Akiyama, head of the Japanese sub-committee on trade and president of the firm Sumitomo Corporation, emphasised that large projects to produce and process oil, gas and other mineral raw materials remained promising areas of bilateral cooperation. Their implementation required time and input.

Akiyama said developing the Soviet side's export capacity by purchasing advanced processing equipment in Japan was the most real way to boost trade turnover in the short term. It will make it possible to achieve a deeper processing of raw materials for their subsequent shipments to Japan.

Akiyama called on the Soviet side to settle as soon as possible the question of the delay in the payment for Japanese imports, which became the key factor holding up an increase in bilateral trade.

Vladimir Golovanov, head of the Soviet sub-committee and first deputy chairman of the USSR chamber of commerce and industry presidium, said he fully agreed with the Japanese side that "updating the Soviet export performance and developing new forms of cooperation were the key to further progress in Soviet-Japanese economic relations". He emphasised that the delay in payment was a temporary problem, which would be removed given the Japanese side's positive approach.

Other sub-committees also met in sessions. The Soviet delegation presented new estimates of the Sakhalin project's profitability, which brought the sides closer to the beginning of the large-scale development of Sakhalin's oilfields.

Sub-committees on the far east, coal, chips, transport, forestry and chemistry also held sessions.

Talks End

LD0202110291 Moscow Domestic Service in Russian 0830 GMT 2 Feb 91

[Text] [Announcer] The 13th joint conference of the Japanese-Soviet and the Soviet-Japanese committees on economic cooperation has ended its work in Tokyo. Our correspondent Konstantin Kupin reports.

[Kupin] In the course of three days in the Tokyo Takanawa hall, where the meetings of the conference took place, the businesslike atmosphere reigned in the talks between two longstanding economic partners: 120 Soviet economists, specialists in the sphere of management, discussed the prospects and summed up the results of Soviet-Japanese trade and economic cooperation with Japanese businessmen and representatives of the Japan's business world.

The main task of the present conference, as those who took part in it noted, was to analyze the problems which have arisen in trade and economic relations between our countries, to outline specific variants for resolving them

and to determine the prospects for the further development of bilateral ties between our countries in the economic sphere.

Problems standing in the way of the development of trade and economic relations, such as the USSR's debt to Japan, were also discussed. According to the report of Malkevich, head of the Soviet delegation and chairman of the Chamber of Commerce and Industry of the Soviet Union, it now amounts to $387 million.

It would be erroneous to claim that only questions of debt were discussed at the conference. A frank dialogue took place between two partners interested in one another. Both sides, both the Soviet and the Japanese, stressed in their final joint statement that the present conference was a kind of stage in the economic preparations of the program for the visit to Japan by President of the Soviet Union Mikhail Sergeyevich Gorbachev, scheduled for April of this year. Within this context the economic talks in the 11 sections of the conference, at which specific economic joint projects were discussed, turned out to be highly useful. It is planned that these projects will be signed during the Soviet-Japanese summit meetings.

Joint Japanese Seminar on Transforming Defense Noted

OW2301083891 Moscow in Japanese to Japan 1000 GMT 22 Jan 91

[Kalinin commentary]

[Text] Listeners, the Japanese-Soviet Association for Economic Cooperation has announced that a seminar will be held in Tokyo in early March on the transformation of the Soviet military supply industry into a private consumer industry.

Military commentator Kalinin writes on this as follows:

At present, battles in the Persian Gulf area may be working against the international trend toward the lessening of tensions, but still we must look ahead toward the future of peace. Indeed, the planned Japanese-Soviet seminar on the industrial conversion is being held for that reason.

According to statistics, less than one fifth of all research and development work done for military purposes is utilized by the consumer industry. Despite this, around 40 percent of military expenses are used in such research and development programs. These statistics clearly show the extent to which the military programs are working as barriers to science and technology development today.

The question of a shift from the military needs-based economy to an arms reduction-oriented economy will become, therefore, increasingly important.

Until recently, at a time when the cold war still prevailed, we could only dream about the need to convert the military supply industry to a consumer-oriented one. But the situation has changed, and the signed treaties on the removal of medium- and short-range missiles, the reduction of troops and conventional arms in Europe, and the reduction of strategic offensive arms is bringing a practicality to the idea of shifting to a consumer industry. Actually, there has been progress in various areas. For instance, the Soviet plant which used to produce the medium-range missile system known as the SS-20 has been switched to the production of metal-tooling machines, boring equipment, and electric parts. There are other plants in the process of being transformed to produce goods required in the fields of agriculture, precision metal industry, communications, commerce and medical supplies.

Two years ago, the rate of the conversion of the military industry to the consumer-oriented industry was about 50 percent. This rate will rise to 65 percent in the next five years.

The conversion is also being made with international cooperation in some areas. For instance, the tractor for the SS-20 missile has been remodelled into a powerful crane by a joint venture company of the Soviet Union and Germany. The Soviet Aircraft Design Bureau, whose primary mission used to be research and development for the military, is now conducting research and development on commercial aircraft in cooperation with U.S. and British companies.

The Soviet Union is now looking into the possibility of selling the company that produced the nuclear reactor used on a man-made satellite.

Japan has, in fact, begun to join the Soviet efforts in transforming the military industry. An enterprise near Moscow, which earlier produced military products, is being converted into a video camera assembly plant with the cooperation of Matsushita Electric Industrial Company.

At the Japanese-Soviet seminar on industry transformation, the Soviet Union is expected to offer to Japanese firms Soviet up-to-date technology on machinery, aviation and space, biotechnology and electronics, which all are military technology areas that can be used for peaceful purposes.

You might say that this plan to sell the technology is to earn foreign currency. To be sure, the Soviet Union needs foreign currency; but, that cannot be the only reason. Instead, the overriding reason is the international interest. The sale of modern technology will be helpful for promoting Japanese-Soviet economic cooperation. This will also help promote the friendship between the two nations.

The most important point, however, is that by opening up the military technology which has been kept secret, the Soviet Union will show its willingness to expand its trust in Japanese-Soviet relations.

Last year, the Soviet Union presented to Japan a series of proposals on military reductions. This time, the Soviet Union will be showing its willingness to cooperate with Japan in transforming the military supply industry.

Reports Examine Relations, Cooperation With Japan

Railways Ministers Comments

LD0202160791 Moscow TASS International Service in Russian 1103 GMT 2 Feb 91

[By TASS correspondent Vadim Yegorov]

[Text] Tokyo, 2 Feb (TASS)—USSR Railways Minister Nikolay Konarev proposed to the Japanese Government active cooperation in constructing high-speed railways on the territory of the Soviet Union.

While in Tokyo with a delegation of Soviet business circles participating in a large-scale Soviet-Japanese economic conference, the Soviet leader handed the Japanese Transportation ministry a package of specific cooperation proposals. He appealed, in particular, for the provision of Japanese technology for the construction of an extensive network of high-speed railways between Leningrad, Moscow, and the southern part of the USSR's European territory. Japanese technology is at an excellent avantage, as shown in the operating in the Japanese Islands of the so-called "Shinkansen" high-speed, comfortable trains.

Konarev called for the institution of scientific-technical cooperation to increase the load-carrying capacity of railway trains and the organization of a series of joint enterprises in Sakhalin. He also called on Japanese firms to organize a series of joint enterprises in this sphere in Sakhalin.

'Important Phase' Seen

OW3101225291 Moscow in Japanese to Japan 1000 GMT 29 Jan 91

[By TASS political commentator Askold Biryukov]

[Text] At the 25 January Japanese Diet session, Prime Minister Kaifu expressed the hope that President Gorbachev's visit to Japan would become an historic event, which would open up a way for the establishment of new Japanese-Soviet relations. Moreover, Prime Minister Kaifu pointed out that Soviet-Japanese ties have entered the most important phase in recent years. We cannot help but agree with this assessment.

The prime minister's remarks also characterized the Soviet-Japanese negotiations conducted by Japanese Foreign Minister Nakayama in Moscow this week. President Gorbachev's visit to Japan, in particular, was the central topic of Foreign Minister Nakayama's talks and meetings in Moscow.

First of all, I would like to point out the affirmative results of the efforts by both countries to develop a political dialogue. Both countries have made more frequent substantial approaches. A relationship of mutual trust has been created and both countries are beginning to understand each other's position and the difficult points that exist between them. The Soviet Union is delighted with the fact that Japan highly assesses perestroyka and supports the democratization movement in the Soviet Union.

We also welcome the fact that Japan understands the difficulties the Soviet Union faces. Japan itself experienced difficulties during its development stage. Moreover, the Soviet people understand that Japan is concerned with the incidents that are taking place in the Baltic republics and their calls for a peaceful settlement. Of course, the Soviet people and the Soviet leadership also hope for a peaceful settlement of the situation there.

It became clear at the negotiations in Moscow that Japan and the Soviet Union share the same views regarding international issues, including the Persian Gulf situation. The Soviet Union and Japan think that the only way to recover peace and security in that region is to realize the immediate and unconditional implemention of the UN Security Council resolutions. The two countries also reconfirmed the fact that each nation should continue discussions within the framework of the UN resolutions.

Both countries pointed out the importance of concentrating the world community's efforts on settling urgent international issues, such as the prevention of regional conflicts. In this regard, both countries supported the easing of tension on the Korean peninsula. Moreover, they pointed out that the mediation process for the Cambodian issue had entered its final stage. At the same time, they stated that it was necessary for the nations concerned to make active efforts for a settlement of that issue.

It seems that Foreign Minister Nakayama confirmed during this visit to Moscow that there was no change in the Soviet leadership's policies regarding perestroyka and the new thinking. Some people in the Japanese Government, however, are expressing opposition to constructive negotiations in Moscow. Their intention is to throw doubt on the domestic and foreign policies of the Soviet Union. They are also taking advantage of the sometimes unfair mass media reporting on the difficult domestic situation in the Soviet Union. Japanese Finance Minister Hashimoto, in particular, treats the incidents in the Baltic states on an equal footing as Iraq's invasion of Kuwait. With a recurrence of old thinking, some politicians are validating people's fear of a potential Soviet threat to legitimize the economic sanctions against the Soviet Union. Remarks that discourage assistance to perestroyka will set Soviet-Japanese ties back to the past level and stop the development of bilateral ties.

The Soviet Union and Japan are neighboring countries. Thus, I think that both countries should improve bilateral ties and make it become one of the major factors for creating a world order.

'Grave' Problems Noted

OW2001082891 Moscow in Japanese to Japan 1200 GMT 14 Jan 91

[Commentary by Moscow correspondent (Kukin)]

[Text] Grave and difficult problems are confronting Soviet-Japanese relations and hindering progress in their bilateral relationship. It is regrettable that no peace treaty has been concluded between these two countries.

You will now hear a commentary from Moscow correspondent (Kukin): The problem has arisen because the Japanese side is trying to link the issue of concluding a peace treaty to the issue of the requested return of the Kuril islands of Habomai, Shikotan, Kunashiri, and Etorofu. This territorial issue has a long history and is very complicated. The attitude of both the Soviet and Japanese sides can be compared to that of two human beings who do not try to understand each other. But, more recently, both sides, having learned from recent world developments, have become aware that they must have dialogue and mutual understanding.

A Soviet-Japanese joint working group, set up to discuss a peace treaty, has been making fairly good progress. In talks at the working group, frank discussions have been held on various matters, including the territorial question. It is clear that both sides need to probe for ways to solve bilateral issues acceptable to both.

It appears that Japan is beginning to understand that the developments occurring in Europe are far ahead of similar developments in Asia. First of all, what affects the overall Asian situation is Soviet-Japanese relations.

Japan's YOMIURI SHIMBUN, in its first edition this year, carried an article indicating that the Japanese Government's stand [on the territorial issue] may be changing.

According tc the article, the Japanese Government has decided to ask the Soviet Union to return not all four Kuril Islands in question but only two, Habomai and Shikotan. The Japanese Government issued a statement, however, saying that their formal stand on the territorial question has not changed at all.

But did the fact that YOMIURI SHIMBUN carried such an article not indicate clearly that the Japanese Government can never push the process of improving bilateral relations as long as it adheres to its stand of preferring confrontation to efforts seeing mutual understanding?

What is important now, as the Soviet Union has pointed out time and again in the past, is for government-to-government diplomatic negotiations to be pursued with realistic intentions.

Joint Oil Venture Viewed

OW1302180091 Tokyo KYODO in English 1237 GMT 13 Feb 91

[Text] Osaka, Feb. 13 (KYODO)—Marubeni Corp. said Wednesday it has received a request from the Soviet Union to assist in reactivating an oil well in western Siberia.

The major trading company said the Soviet Union has suspended production at the well because its own technology is insufficient and sophisticated equipment from advanced industrialized nations is required.

Moscow expressed its hope that Marubeni would resume production there in a joint venture with major U.S. oil companies with advanced technology.

The Soviet Union, which suffers from an acute foreign exchange shortage, proposed that Marubeni invest in the project in return for part of the oil produced at the well, the company said.

Marubeni said it is negotiating with the Soviet side on details of the project in view of a high risk involved.

Oil production in the Soviet Union is expected to decrease to about 300 million tons in 1991 from 400 million tons in 1988 mainly because the country relies on obsolete drilling equipment.

Marubeni said there are many abandoned oil wells in the Soviet Union due to a lack of sophisticated equipment, requiring the country to introduce advanced technology from abroad.

CPSU Secretariat Greets JSP Congress

PM3001134591 Moscow PRAVDA in Russian 30 Jan 91 Second Edition p 5

[Message from CPSU Central Committee Secretariat "To the 56th Socialist Party of Japan Congress"]

[Text] We greet the delegates to the 56th congress of the Socialist Party of Japan.

The vigorous actions of the Socialist Party of Japan for peace, the settlement of international conflicts without violence, and positive changes in Soviet-Japanese relations are close to our vision of the demands of the present stage of development. There is a solid basis for further collaboration in the interesting of confidence building, cooperation, and good-neighborliness.

We wish your congress success.

[Signed] The CPSU Central Committee Secretariat.

Deputy Defense Minister Views DPRK Relations

SK2301075591 Moscow International Service in Korean 1100 GMT 22 Jan 91

[From "Focus on Asia" program]

[Text] A Soviet military delegation recently returned from visiting the DPRK.

Station reporter Sergey Kozlov interviewed Gen. Konstantin Kochetov, Soviet first deputy defense minister, who headed the delegation.

On relations between the two countries, the deputy minister commented: I think it is not appropriate to say that relations between the Soviet Union and the DPRK have cooled.

It is true that it was painful for the DPRK to accept the establishment of diplomatic relations between the ROK and the USSR. Lately, however, there seems to be a new reassessment of such a stand. Attitudes are becoming more objective and softer, and that is the only way it can be.

"This is because cooperation between our two countries has been built on reciprocity, solid historical foundation, and the blood shed by the two countries in the struggle for the liberation of Korea," Kochetov said.

Asked what changes have taken place in USSR-DPRK military ties, Deputy Minister Kochetov said: It is impossible to speak of any cold war legacy when it comes to military cooperation. This direction in bilateral relations is safely developing. Nevertheless, one must reflect the changes taking place all over the world even in military relations. The rest depends on the economic situation in the Soviet Union and the DPRK.

The two countries, however, must make military contact genuinely beneficial to each other by doing away with complexities and by exploring new directions.

I expect that my latest trip to the DPRK will have done this task.

Asked what he thought of the DPRK as a soldier, he said: I admire the Korean People's Army's high degree of training. Particularly the small army units are admirable. The high degree of the soldiers' discipline, their patriotism, and their enthusiasm caught our attention. The speed of military construction is such that we envied it.

Above all, the kindness with which the Korean people welcome the Soviet people moved me. Availing myself of this opportunity, I would like to thank Korea. I wish the Korean people and their soldiers great success.

Military Delegation Ends Visit to DPRK

LD1601095591 Moscow TASS International Service in Russian 1513 GMT 15 Jan 91

[By TASS correspondent Vladimir Nadashkevich]

[Text] Pyongyang, 15 Jan (TASS)—A Soviet military delegation headed by Army General Konstantin Kochetov, the USSR first deputy defense minister, today left here to return home. During the five-day official visit to the DPRK, the delegation became acquainted with the life and military studies of the forces of the Korean People's Army, it met with the republic's military leaders, and went to the Kim Il-song Military Academy.

When the delegation arrived, there was a ceremonial meeting at which the representatives of the USSR Armed Forces were welcomed by more than 1,000 soldiers of the Korean People's Army. The speakers emphasized the importance of peace and security in the Asian-Pacific region and of strengthening the friendship between the peoples and armies of the two countries.

Rogachev's Visit to Seoul, Bilateral Ties Examined

SK2101123791 Moscow International Service in Korean 1100 GMT 17 Jan 91

[Talk by station commentator (Valeriy Ivanov) from the "Focus on Asia" program]

[Text] The new year started off with great political events in USSR-ROK relations.

Last week, special envoy to the Soviet president and Deputy Foreign Minister Igor Rogachev visited Seoul to deliver Mikhail Gorbachev's personal letter to No Tae-u.

On 15 January, the Soviet Government delegation led by the Soviet Deputy Prime Minister, Yuriy Maslyukov, left for Seoul.

Station commentator (Valeriy Ivanov) writes as follows:

I would like to say that the dynamic development in the relations between the Soviet Union and the ROK is completely legal and a fact.

The recently established diplomatic relations between the two countries, President No Tae-u's official visit to Moscow, and the declaration on the conclusion of a principle agreement on relations between the Soviet Union and the ROK, opened the doors for dialogue and cooperation.

Special envoy of the Soviet president Igor Rogachev's visit to Seoul increased the scale of mutual relations and also symbolized the intention of the two countries to open a new channel for cooperation. Therefore, during the political negotiations between the Soviet Union and the ROK, discussions were held on bilateral relations and on the situation on the Korean peninsula.

It was consistently said that No Tae-u's visit to the Soviet Union and the Moscow declaration have great political significance not only in bilateral relations but also in the overall regional situation.

The situation on the Korean peninsula is not simple. In this small land of 220,000 square kilometers, 1.5 million North and South Korean forces are deployed and U.S. troops, equipped with nuclear weapons, are stationed.

The DPRK and the ROK are carrying on dialogue and have put forth various interesting plans to normalize the situation on the peninsula.

Even though Pyongyang and Seoul assume a similar position on a number of important issues dealing with detente, no practical results have been achieved yet.

During Igor Rogachev's visit to Seoul, the Soviets' position on resolving the Korean peninsula issue starting with putting an end to military and political confrontation by patiently holding dialogue was reiterated.

Also, the ROK's representatives emphasized Seoul's intention of continuing to hold dialogue with Pyongyang in the military, political, economic, and humanitarian fields.

During the negotiations which were held in Seoul, an important difference came to light on the issue of expanding the USSR-ROK trade economic cooperation and on the need to activate cooperation.

Currently, in the talks with the ROK Government and working-level representatives that Soviet Deputy Prime Minister Yuriy Maslyukov is holding, detailed discussions are being held regarding these issues.

It is assessed that the prospects for broad economic cooperation between the two countries is advantageous. It is important to establish cooperation in an effective and reciprocal form with the DPRK, Japan, and other countries concerned.

When discussing the USSR-ROK relations and various issues regarding the peninsula situation, Moscow and Seoul reiterated that they have no intention of developing bilateral relations at the expense of the third countries, including the DPRK.

Igor Rogachev emphasized that the Soviet Union values the traditional and friendly relations with the DPRK and that the Soviet Union is interested in overall and reciprocal development between the two countries. This is the principle position of the Soviet Union.

Deputy Foreign Minister Receives ROK Envoy

PM1102094391 Moscow IZVESTIYA in Russian 8 Feb 91 Union Edition p 6

[TASS report under the general heading: "Official Reports"]

[Text] On 6 February USSR Deputy Foreign Minister V.F. Petrovskiy received Kong No-myong, ROK ambassador to the USSR. There was an exchange of opinions on a wide range of questions concerning the activities of international organizations and conferences.

Maslyukov-Led Economic Group's ROK Visit Viewed

LD1801100391 Moscow Central Television First Program Network in Russian 1800 GMT 17 Jan 91

[Report by correspondent V. Lyubovtsev; from the "Vremya" newscast]

[Text] Government talks between delegations of South Korea and the Soviet Union began today in Seoul.

[Lyubovtsev] In Seoul, the weather is clear and dry, though rather cool. The winter sun is reflected in the windows of the numerous skyscrapers. In the papers here, one may encounter the following comparison: the present winter has become the spring for cooperation between the Land of the Soviets and South Korea. That is quite right. The development of our comprehensive ties, which was initiated last year by the meeting of the presidents of the two countries in San Francisco, has soared rapidly. Diplomatic relations were established in September. President No Tae-u visited the Soviet Union in December. As a result of his talks with Mikhail Sergeyevich Gorbachev, agreements of principle were signed, and the green light was given to the two states' interaction in politics, economics, and all areas of life.

Specific trade-economic and scientific-technical cooperation projects are being discussed today. Talks between the government delegation of the USSR and the Republic of Korea have begun in Seoul. Our delegation is led by Deputy Prime Minister Yuriy Dmitriyevich Maslyukov. The South Korean delegation is headed by Dr. Kim Chong-in, the president's chief adviser on economic matters.

A brief interview during an interval between meetings.

[Begin recording] [Lyubovtsev] In the Seoul press, I have come across forecasts like this one: that by the year 2000 the volume of our trade turnover may reach $10. billion. What do you think? Is that realistic?

[Kim Chong-in, in Korean with superimposed Russian translation] Yes, I am sure, says Kim Chong-in, that such a level is perfectly attainable and that our country may become one of the USSR's major partners. [end recording]

South Korea To Provide $3 Billion in Credits

LD2401175191 Moscow Domestic Service in Russian 0930 GMT 24 Jan 91

[Report on a joint Soviet-South Korean economic, scientific, and technical cooperation agreement signed in Seoul, date not given, by correspondent Mikhail Kretov]

[Text] [Announcer] Soviet-South Korean talks on economic, scientific, and technical cooperation have ended in Seoul. Our correspondent in South Korea Mikhail Kretov reports:

[Kretov] An agreement was signed on the creation of an inter-governmental commission on questions of economic, scientific, and technical cooperation. An agreement was initialled on cooperation in fishing. An accord was signed to the effect that the Republic of Korea will present credit assistance to our country to the tune of $3 billion. Of these $1 and ½ billion will go on the purchase of South Korean consumer goods; $1 billion is bank credit, and the rest will be used for purchases of equipment and for financing joint projects in the sphere of consumer goods.

Representatives of seven all-Union ministries, making up the delegation, have done a great deal of work. They concluded a number of agreements with leading South Korean industrial giants such as [words indistinct] and others. It is understandable that at talks at such a level the Korean problem could not but be discussed. Answering numerous questions from local journalists, the head of the Soviet delegation Yuriy Maslyukov, deputy prime minister, said that our country comes out for the continuation of holding an inter-Korean dialogue. He also stressed that our country comes out for all states, members of the IAEA [International Atomic Energy Agency], adhering to its principles of the nonproliferation of nuclear weapons.

The correspondent of the Seoul [words indistinct] newspaper asked a question about deliveries by the Soviet Union of offensive weapons to the Korean People's Democratic Republic. Answering this question, Yuriy Maslyukov once again confirmed that the Soviet Union does not intend to deliver such weapons to this [word indistinct] potentially-explosive region.

USSR Contacts With South Korea Continue

Joint Economic Statement Issued

SK2401063291 Moscow International Service in Korean 1100 GMT 23 Jan 91

[Article by correspondent (Mikhail Kretov) from Seoul]

[Text] A joint statement has been announced and a series of agreements reached according to the result of the talks. Among them, there are provisions that stipulate to form a government-level committee for scientific, technological, and economic cooperation and to initiate joint fisheries.

The agreement has been reached to give $3 billion in loans to the USSR, and the loan terms were determined according to the foreign experts estimated (?privilege) and three sets of different numbers. 1.5 billion dollars will be tied to purchasing Korean consumer goods, and the other loans will be tied to the facility expenditures and transfer of joint enterprises aimed at manufacturing people's consumer goods.

The delegates from seven fields have completed a great task. They signed a series of agreements with the ROK conglomerate enterprises such as Lucky Gold Star, Daewoo, and Samsong. The correspondent (Mikhail Kretov) said: We should point out that we went through difficulties in signing the agreement with Daewoo. However, the atmosphere of mutual understanding was laid on.

In the course of talks, the question of Korea was discussed. In his news conference after his visit, Yuriy Maslyukov pointed out that the USSR will support the U.N.'s universal principle, and that all states, including the ROK, will be a UN•member.

He said: With regards to this matter, however, the Korean people themselves should solve it. Therefore, the USSR will support the constant dialogue between the North and the South.

A SEOUL SINMUN journalist asked a question about the USSR supplying offensive weapons to the DPRK. Yuriy Maslyukov said that the USSR has never supplied those weapons to Korea, or other regions, and have no plans to supply them. However, he added that all states reserve the right to buy such weapons from the world markets to defend themselves.

Trade Fair Exhibition Held

SK2701030191 Moscow International Service in Korean 1100 GMT 21 Jan 91

[From the "Focus on Asia" program]

[Text] [Announcer] The Konsum Expo-91, an international consumer goods exhibition, is being held in the (?trade fair exhibition center) in Moscow. Some 1,500 companies representing 85 countries are participating in this exhibition. Among them are ROK companies. Our station commentator, Kim Han-uk, makes an on-the-spot report from the exhibition center:

[Kim Han-uk] I interviewed Mr. Kim In-chol, director of the textile goods division of Kohap Ltd., one of the representatives of the participating ROK companies at the site of the international trade fair which is being held in the Moscow Expo Center. What kind of goods have you brought to the exhibition?

[Kim In-chol] Thank you for giving me this opportunity. Our Kohap Ltd. is one of the leading enterprises in the ROK, and is an outstanding enterprise whose total annual sales ranked 26th among the ROK companies last year. For the last 25 years of our company's history, we have made exceptional efforts to make Kohap Ltd. what it is today. Kohap Ltd. considers the Soviet market an important part of its world market strategy, and by participating in the exhibition held in Moscow we have contacted various people in Moscow, and have achieved good results from our sales talks. This is the fourth exhibition in which we have participated here. We have been participating in the exhibitions with our major products, namely, textiles and chemical goods. We are contacting people here in other areas as well. We think this is a good opportunity for us.

[Kim Han-uk] What is your view of the prospects for the Soviet-ROK economic cooperation?

[Kim In-chol] The ROK has come to be regarded as an important member of the international community; thus, we have an opportunity to come to the Soviet market. Since the president of our country visited Moscow last year, the ROK-Soviet economic cooperative relations have been made much closer. Our company president accompanied President No Tae-u during his visit to the Soviet Union last year. The immediate result of that is our participation in this exhibition.

We are optimistic about our prospects for economic cooperation with the Soviet Union. If I were to mention one disadvantage, it would be the lack of a convertible ruble. There are other problems resulting from the transitional process of the Soviet Union as it heads toward a market economy. If the ruble becomes safe convertible currency, it will help in our economic cooperation with the Soviet Union considerably.

Another problem is that the Soviet authorities have not yet done away with our difficulties in sending profits home. If the Soviet side does not allow us to send home our profits from joint ventures, we are naturally worried about a situation in which we only invest and never collect any money from it. The Soviet Union should resolve this problem gradually for smoother economic relations between the ROK and the Soviet Union.

[Announcer] Now you will hear our station reporter's interview with Pak Tae-sun, chairman of Sunkyong Company.

[Kim Han-uk] What is your view of the prospects for the economic cooperation with the Soviet Union?

[Pak Tae-sun] This country, which is our partner nation, is suffering from a shortage of various goods, as you all know. Diplomatic relations have now been established between the two countries, and the presidents of the two countries have agreed to cooperate in various economic fields. It has been agreed that our side will invest in the industries producing consumer goods, participate in the development of Siberia and the Soviet Far East, and supply the urgently needed necessities of life. I think that this is necessary for our economic cooperation and that it will also contribute to the normalization of inter-Korean relations considerably.

There are several problems when we invest and do business in this region. The greatest problem is that the people and the enterprises here have long lived under the socialist system which gave them a unique character, while we the ROK people are accustomed to the ways of the Western world. In other words, there are differences between our two countries in social pattern and structure, and it will take considerable time before the people of the two countries are able to understand each other and work in good harmony. In other words, we may find obstacles in many areas, and it will take time for us to understand all these things.

I am looking for businessmen, who are really needed. Those businessmen must be (?creative) and skilled in management. Here, however, all businesses are part of the state, so we encounter difficulties while pushing ahead with work. But we cannot wait indefinitely. We must set to work trying to understand these difficulties.

To mention other problems, the convertibility of the currency is one of the most serious problems, and the differences in various techniques also present a problem. Because the two countries have structural characteristics that complement each other, however, there is potential for mutually advantageous economic relations, if only we make an effort—although it may take some time. If the ROK provides the economic cooperation funds and helps facilitate various business undertakings in the pioneering stage, it will be a great impetus.

In particular, the area of raw materials supply which our country will benefit from will gradually offer us a good opportunity, although we must overcome the difficult position of making investments in it. As you know, many Koreans live in this country, and I think that the economic cooperation between the Soviet Union and their mother country can contribute a lot to them, as well as to the activation and development of the society they live in.

For the development of the cooperative relations between the two countries, businessmen should first come to the location itself, and begin business. Therefore, despite the difficult conditions we must encounter, I am here and pushing ahead with the work.

Joint Project in Sakhalin Noted

SK2401143891 Moscow International Service in Korean 0900 GMT 20 Jan 91

[Interview with Yuriy Konoporskiy, representative of (Amco) Company, a U.S.-ROK joint-venture company, by station reporter Fina Noshova; from the "Introducing the Soviet Far East" Program]

[Text] The (Amco) Corporation, a U.S.-ROK joint-venture company, has submitted a plan to extract natural gas from areas in (Manzesk) in the Continental Shelf northeast of Sakhalin to the Executive Committee of the Sakhalin Soviet Region.

Fina Noshova, reporter stationed in Sakhalin, met and talked with Yuriy Konoporskiy, representative of (Amco) Company.

[Konoporskiy] Our company began to pay attention to Sakhalin because South Korea is in need of natural gas. Study of this project began two years ago. In the beginning, this plan was supported by the Soviet Ministry of Construction of Petroleum and Gas Industry Enterprises.

This plan is being reviewed by both leaderships. The (Amco) Company is planning to lay gas pipes to transport gas from northern Sakhalin to the south and to

supply gas to practically all areas of this island. The gas will be transported to the outskirts of Korsakov in south Sakhalin and will be liquefied in a plant specially built for liquefaction. The gas will then be transported to the Korean peninsula by ship.

As you know, a U.S. company called MacDermott showed interest in crude oil in the Sakhalin Continental Shelf.

[Noshova] Will this company not compete with yours?

[Konoporskiy] I do not think so. We regard the plans of the two companies as parallel plans. MacDermott is chiefly interested in crude oil and oil pipelines are expected to extend to the continent.

Our plan is to develop gas and to lay gas pipes to the south, however, running through Sakhalin Island. Therefore, these two plans are feasible. The (Ampo) Company is planning to work out a design with its own funds. The Soviet side's participation in technological development will also be feasible if the Soviet side considers it necessary.

Even if the Soviet side does not participate, the company can achieve all its tasks with its own strength.

[Novosha] Will the (Amco) Company begin the design work if the deputies to the Executive Committee of the Sakhalin Soviet Region respond positively?

[Konoporskiy] Yes. The next step in the design is to study the technological aspects and to provide a technological and economic foundation. All problems connected to ecological issues and environmental protection will be resolved at the same time according to the highest-level demand for the resolution. Our position is to work out the most outstanding solution according to modern technological standards.

The (Amco) Company has already used $500,000 for the preliminary design.

[Novosha] Is this an adventure you are permitted?

[Konoporskiy] Optional business activity is always an adventure. Our company voluntarily seeks such adventure because we believe that there is no reason for Sakhalin to refuse this plan.

[Novosha] At this initial stage, will your company continue to implement this plan for the future of Sakhalin even if you receive a negative reply?

[Konoporskiy] Yes. We are proud people. If we receive a negative reply, we will view it as showing a lack of understanding of how significant this plan is, and we will continue to explain that this project is beneficial both to us and to this island. We believe that there cannot be, in principle, a negative reply. I am sure that a positive attitude toward this project will be expressed and directives for further study of specific points will be handed out.

Economic Ventures Reported

SK0302121491 Moscow International Service in Korean 1330 GMT 31 Jan 91

[From the "Cooperation News" feature of the "Various Aspects of Cooperation" program]

[Text] The Soviet Government delegation led by Yuriy Maslyukov, deputy chairman of the USSR Council of Ministers, has concluded its visit to Seoul. A joint statement was adopted on the conclusion of the talks. An agreement on organizing an intergovernmental committee on the economic and scientific- technological cooperation and a fisheries agreement were signed. Also, it was agreed that the ROK would grant a $3-billion loan to the Soviet Union.

A new Soviet-ROK wood processing joint venture enterprise has been founded in the Maritime Territory. The enterprise will introduce a nondestructive logging system which uses machines and equipment that will not damage nature. It maintains (?sappling) ground so forests can be restored.

Based on the joint agreement, ROK companies will participate in seven projects to develop the natural resources in Siberia and the Soviet Far East.

The International Peace and Cooperation Institute, a new Soviet-ROK joint venture enterprise founded by the Soviet Peace Fund Khabarovskiy Kray branch and the ROK company (Timpa), expressed its desire to donate disposable syringes to a maternity hospital in Khabarovskiy Kray. The specialists in this institute will help to form trade and economic relations and organize working visits between the two countries. A ROK cultural center will be founded in the institute.

Prospects for North-South Korean Talks Examined

Dialogue, Confrontation Viewed

LD2501000291 Moscow TASS International Service in Russian 1219 GMT 24 Jan 91

[By political observer Sergey Afonin]

[Text] Moscow, 24 Jan (TASS)—Political observer Sergey Afonin writes:

Talks or an escalation of tension? This is the question which is now being asked in connection with the latest events in the Korean peninsula. The situation is not simple. On the one hand, political dialogue between North and South has been surmounting the various obstacles and making headway. On the other hand—and this is especially manifested at present—confrontation between them has been increasing.

The South Korean Armed Forces have been put on a state of full combat readiness. The next Team Spirit joint maneuvers with American forces have been announced.

The pretext is the old one of "a threat from the North." These steps are evidently taking place through the momentum of the cold war. Otherwise, it is hard to explain them. The banking on force does, of course, limit the potential of the political dialogue.

Pyongyang denies the charge of its "desiring to attack the South" and has been putting forward a number of proposals aimed at stabilizing the situation on the peninsula.

One proposal is that the annual Team Spirit maneuvers, which are regarded in Pyongyang as a "rehearsal for nuclear war against the North," be halted. While not agreeing to this, Washington and Seoul, judging by reports, intend this year to reduce the scale and timing of these "military games." In this respect the South Korean Government, the Yonhap news agency reports, hopes that the present exercises will not harm the holding at the end of February of the next round of talks between the prime minister of North and South on military-political questions. As the DPRK press notes, however, the aggravation of the situation may have a serious effect on the North-South dialogue.

This dialogue is designed to strengthen the trend toward achieving a political settlement. It would be sensible to continue it, especially since the subject of the talks is too serious—it concerns the future fate of the divided country. The DPRK's proposal that a non-aggression declaration be signed between North and South is particularly urgent now. It would help to halt the arms race in the Korean peninsula and to lower the level of confrontation.

Shifts Seen in Relations

SK1101090591 Moscow International Service in Korean 0900 GMT 10 Jan 91

[Text] South Korean President No Tae-u said in his New Year's news conference that the ROK would continue talks with the DPRK in order to achieve whatever success it can.

Concerning this, station commentator (Igor Levdevev) wrote the following:

Seeds of confrontation and mistrust still exist on the Korean peninsula. I may not be too mistaken if I say that the situation has been improving step by step, however.

Cultural and sports ties have become brisk between North and South Korea. Already three rounds of talks have been held between the two countries' prime ministers and another round of talks is scheduled to be held in the near future to work out ways to remove the political and military confrontation on the Korean peninsula.

As is known, leaders of North and South Korea have made reunification a priority task to be achieved over the next the 10 years.

I am convinced that this common goal will encourage Seoul and Pyongyang to revitalize their mutual efforts and contacts. Of course, there will be many difficulties on this road. So, nobody can predict how and when Korea's reunification will be achieved. Only the people in North and South Korea can answer this question. Nevertheless, one cannot fail to see that in a sense a solution to this question is being arranged by a series of factors.

In his news conference, President No Tae-u stressed that external obstacles to national reunification are being removed one after another and the international climate for reunification is improving, referring to new relations that have already been forged or are being forged between South Korea and the Soviet Union, between South Korea and China, and between the DPRK and Japan, the DPRK and the United States.

Simply put, the old structure of confrontation built around the Korean peninsula is collapsing. This process is contributing to normalizing the situation even further. It is also important that countries that have maintained their relations with North and South Korea insist that the two sides continue talks.

For instance, the Soviet Union has already stated that it is willing to offer any kind of international cooperation and guarantee if it is invited to do so.

Bilateral Ties With DPRK Develop

SK2101101791 Moscow International Service in Korean 0900 GMT 16 Jan 91

[Commentary by station commentator Valeriy Petrov]

[Text] Relations between the Soviet Union and People's Korea appear to be in the shadow just now, as the Soviet-South Korean relations have actively developed. Relations between the Soviet Union and People's Korea are developing. Despite People's Korea's well-known discontent over the expanding contacts between the Soviet Union and South Korea, Moscow and Pyongyang are maintaining political dialogue and broad trade and economic relations. Our station commentator Valeriy Petrov writes on this:

The Soviet Union and People's Korea are ready to extend the agreements that have become effective and are also examining ways to upgrade them. The two countries have made many efforts to provide a firm basis for bilateral relations. First of all, I have the Soviet-Korean Friendship, Cooperation, and Mutual Assistance Treaty in mind. This treaty, an important means to promote Soviet-Korean ties, a means that coordinates overall bilateral relations, favorably affects the situation on the Korean peninsula and is continuously exercising influence upon the guarantee of peaceful conditions for the existence of two states on the Korean peninsula and removing tension in Korea. It is important not to weaken efforts to find ways to solve the Korean problem at this time when favorable developments have begun to take

place in the Asian and Pacific region and on the Korean peninsula, in particular. Our country has the intention of exercising favorable influence upon the process of normalizing relations between the North and the South. Moscow has consistently supported Pyongyang's overtures to ease military and political confrontation, to reduce forces and armaments on the Korean peninsula, to withdraw the U.S. Forces and their nuclear weapons from South Korea, and to turn the Korean peninsula into a nuclear-free zone. The Soviet Union supports dialogue attended by premiers of the North and South, and expects that realistic progress will be made in the talks.

Economic cooperation between the Soviet Union and Korea is developing on a stable basis. Now, when the Soviet economy is undergoing a transition to a market economy, however, it is necessary to find new forms of trade and economic relations, and this process has already started. For example, joint-venture companies were established for the first time, and plants and enterprises have developed direct cooperative ties. From 1 January, this year, in promoting bilateral economic ties, the Soviet Union and Korea have begun to settle bilateral trade in convertible currencies, a new mechanism, and [words indistinct]. In the meantime, whether to extend an agreement to cut timber in the Soviet Union using Korean workers is also a question. Our two countries will soon sign a cultural exchange program for 1992 and a series of important documents. There are many things to do in the future. It is important for the Soviet Union and Korean to promote efficient relations of cooperation favorable to each other, and the Soviet Union has the intention of moving toward this direction.

Mongolian Foreign Minister Discusses Foreign Policy

PM1302102591 Moscow PRAVDA in Russian 8 Feb 91 Second Edition p 5

[Article by Mongolian Foreign Minister Tserenpiliyn Gombosuren: "Mongolia and the Community of Nations"]

[Text] Ulaanbaatar—The serious review of the country's foreign policy course goes back to the fifth plenum (1988) of the MPRP [Mongolian People's Revolutionary Party] Central Committee. Its conceptual guidelines were confirmed and further developed in the program documents of new organs of power, in particular the basic avenues of the activity of the present government. In brief, we now have a precise, renewed concept of collaboration in the foreign sphere.

It is no secret that Mongolia for a long time followed in the mainstream of the "bloc system," placing "the interests of the socialist community" above all else. Naturally, our awareness and approaches were formed from these positions. As a result Mongolian foreign policy may be said to have had no face of its own.

We were firmly linked by the concept of class solidarity. Of course, the foreign policy of any country is to some extent subject to dependence. We live not in an isolated world but in an interconnected one. In speaking of sovereignty, we should bear in mind that it is backed up by relative independence and the balance of fundamental interests.

Mention must also be made of the country's specific features on the geostrategic plane. The advantage and simultaneously the weakness of the MPR [Mongolian People's Republic] is that it is between two great powers. If we were guided by common sense we would have maintained good relations with both neighbors. But by virtue of specific historical reasons life turns out differently. For all the years our people's state has existed, its foreign course has been geared toward the positions of the Soviet Union, and one-sidedness in policy suffers from many shortcomings.

Today we intend to eliminate such distortions and to amend some elements, to do some things differently, to rid ourselves of ostentation and sloganeering, and to emancipate foreign relations. While developing traditional ties with our two neighbors on an equal basis, we would like to have broad contacts with other Asian countries and with Western countries.

I shall dwell a little on Mongolian-Soviet relations. If you are more or less objective and look the truth in the eye, then the fruit of cooperation must be rethought. For a long time we idealized Mongolian-Soviet relations and considered them problem-free. We always advertized them as a model of the new type of international relations. Those words contained a lot of truth. But there were also serious issues which accumulated.

We must remember the tragic pages, in particular the repressions. Incidentally, the Soviet Union has expressed regret over such illegal acts. The TASS announcement on this subject in July last year touched the Mongolians' hearts and was interpreted by them as repentance. That is important for purification.

Nor was everything smooth in economic cooperation. Inconsistencies were noted before, too, but the largest number of shortcomings has been in recent decades. The USSR's generous aid resulted in dependence and thriftlessness. I do not want to think that the Soviet Union proceeded from the principle of keeping us bound as debtors, but our cooperation generated enormous debts on the Mongolian side. The mechanism of economic cooperation was imperfect and funds were not always invested sensibly. The debts problems is now a political rather than an economic problem. I think the sides should activate the search for a mutually acceptable solution.

Another thing: The Soviet and Mongolian press have already said a lot about the lack of coordination at joint ventures and the imperfection of the intergovernment agreements regulating their activity. You cannot argue with that, since some clauses of these documents have become markedly obsolete against the background of the modern practice of international economic cooperation.

The development of our further cooperation requires the immediate solution of the problems which have arisen.

All this is all the more important in that we must be guided by an absolutely new principle of cooperation connected with the transition to the market economy in both Mongolia and the Soviet Union. I am sure that Mongolian-Soviet relations should acquire a normalized foundation. The interests of the USSR and the MPR are mutual. We shall proceed from them. This was stressed once again during the meeting between M.S. Gorbachev and MPR President P. Ochirbat in Moscow in late January.

Mongolia is a developing country. We attach great important to the establishment of all-around ties with the developed states. We are also in solidarity with the developing countries of Africa and Asia.

A few words about Asian policy. Here I should like to note the following. We are setting up and developing ties with our Southern neighbor. Both sides, having broken down the wall of distrust and unjustified confrontation, are now building relations with a consideration for sober assessments of the existing situation.

Approaches are also changing toward relations with other countries of the Asian and Pacific region. There are many reserves here. Suffice it to say that Mongolia still has no diplomatic relations with one-third of the states of the Asian and Pacific region. Basically these are the island and Arab countries. Of course, quantitative indicators are not an essential criterion for politics. But a fact remains a fact. Thus, the Asian countries account for only three to four percent of our annual foreign trade turnover.

Thus we still have to turn our face to Asia. The establishment of diplomatic relations with South Korea could be an expression of our foreign policy in its process of renewal. That is a realistic approach toward politics. Mongolia treasures its good relations with India and Japan. We also count on the successful development of relations with other states of the region. Here neither social, ideological, nor any other differences will serve as a delaying factor in the development of equal, mutually advantageous relations.

If I am speaking in general terms of our Asian policy, then the task is intensively to develop bilateral relations, to take an effective part in the work of regional international organizations, and to promote as far as we can the solution of pan-Asian problems.

Bearing in mind the last point, Mongolia 18 months ago put forward the idea of creating a permanent negotiations mechanism among the countries of the Northeast part of the Asian and Pacific region to seek ways and methods of resolving existing problems. Our initiative has sounded in unison with the peacemaking proposals of the Soviet Union and other states of the region. It is a matter of giving this idea fuller materialization.

Why do we persistently advocate the creation of such a negotiations mechanism? Because it is a reliable instrument in international politics: Dialogue is better than confrontation. The aggravation of the situation in the Persian Gulf shows graphically where confrontation can lead. The MPR Government expresses concern in connection with the armed conflict which has begun there. The use of force is not the best argument. It is essential to implement in full all UN decisions on this question.

Against the background of the changing world, our policy with regard to the West is beginning to bear fruit. We intend to continue to make efforts to develop varied cooperation with the Western countries. We pin specific hopes on this cooperation for resolving vital problems of the country's socioeconomic development. I must say that the process of Mongolian renewal and our open policy are meeting with understanding and support from the United States, Britain, the FRG, France, and other Western states.

The dynamic of Mongolian-U.S. relations says a lot. This month sees the fourth anniversary of the establishment of diplomatic relations between our countries. Last year Secretary of State J. Baker made a good-will visit to Mongolia. Recently MPR President P. Ochirbat paid an official visit to the United States. A consular convention and agreements on cultural and scientific and technical cooperation have already been concluded. The first steps have been taken in the sphere of economic collaboration....

Mongolia is increasingly acquiring a new identity in the world community of nations. In mid-February the Year of the Horse will be succeeded by the Year of the Sheep. I want to believe it will be a happy one for us and the whole world.

Mongolian President Seeks To Deepen Ties

LD3101201191 Moscow TASS International Service in Russian 1035 GMT 31 Jan 91

[By TASS correspondents Vyacheslav Poznakharev, Dugar Sanzhiyer, and Aleksandr Chernov]

[Text] Ulaanbaatar, 31 Jan (TASS)—According to President Punsalmaagiyn Ochirbat of the Mongolian People's Republic [MPR] the elevation of Mongolian-Soviet economic cooperation to international standards is the main area for the development and deepening of bilateral ties between the two countries. He was speaking at a news conference today in Ulaanbaatar on the results of his visit to the United States.

In spite of the universal interest in the first ever visit by a Mongolian leader to the United States, the journalists were no less interested in the details of the meeting between Ochirbat and USSR President Mikhail Gorbachev during his short stop in Moscow on the way back. Answering questions, the MPR president stressed that during their talks they noted the need to reinvigorate the

entire range of bilateral treaties on the basis of reciprocal advantages and the principles of contemporary international law.

We need to learn how to use Soviet credits to best effect, by channelling resources into promising areas of the economy. For instance, we agreed that the MPR would give up Soviet credits for geological prospecting work. The search for promising deposits and their development will be conducted jointly. Each side will now contribute an equal share of the funds needed, the Mongolian head of state explained.

Much has been said of late about the future of Soviet construction organizations operating in the MPR. At the meeting with Gorbachev, I explained that we do not want to wind up their activities, as is being suggested by certain economic leaders. What is happening is a gradual conversion of these trusts into Mongolian organizations in conformity with the accord reached between the two governments, Ochirbat said.

Referring to joint ventures, he noted that the agreements under which they were established and which govern their operations are also in need of revision. This does not mean that they are being "nationalized", that is, taken over completely by the Mongolian side, as is sometimes alleged. It is simply that the treaties governing these organizations are being brought into conformity with international principles relating to joint ventures.

All these questions will be discussed at the meeting between the two countries' prime ministers, which is scheduled to take place in early February, the MPR president pointed out.

Soviet Workers Leave Jobs in Mongolia, Return Home

LD0102215791 Moscow Central Television Vostok Program and Orbita Networks in russian 1530 GMT 1 Feb 91

[From the "Vremya" newscast]

[Summary] T. Lordkipanidze reports from "a new, multistorey UlaanBataar" built with the help of Soviet builders. But Soviet builders are now preparing to leave, despite credits of 180 million [currency not specified] being allocated to Mongolia in 1991.

L.A. Bibin, USSR trade representative to Mongolia, says that this credit is being given to the Mongolian side in accordance with the new agreements between the governments on transferring all relations onto a hard-currency basis. Last year significant reductions in the number of Soviet construction workers in Mongolia were made; this year a further number, probably more than 50 percent, will leave. As a result, it is unknown who will finish several projects underway. This includes a sports complex, a bakery, and an elevator. There is also unfinished work at enterprises on which Mongolia's hard currency earnings depend. The Soviet workers who return home are guaranteed work in their field, while the wages of Mongolian citizens working for Mongolian organizations have doubled since 16 January. This means that the Soviet side will have to renegotiate contracts envisaging raising wages for Mongolians working in Soviet organizations. As yet not one contract has been signed with a single Soviet organization, and not only in the construction sphere. It is unknown when, or even if, any contracts will be signed.

PRAVDA, Japanese Paper Host Regional Security Talks

91UF0370A Moscow PRAVDA in Russian 18 Jan 91 Second Edition p 6

[Report by Yu. Vdovin and B. Orekhov on PRAVDA-ASAHI roundtable: "Trust and Once Again Trust"]

[Text] *As already reported, a roundtable on problems of disarmament and security in the Asian-Pacific region [APR] and questions of Soviet-Japanese relations was held on 15 January in the PRAVDA editorial office. The following took part in the discussion on the Soviet side: academician I.T. Frolov, member of the CPSU Central Committee Politburo and chief editor of PRAVDA; academician A.N. Yakovlev, people's deputy of the USSR; A.N. Panov, chief of the USSR Foreign Ministry Pacific and Southeast Asian Countries Desk; K.O. Sarkisov, leader of the USSR Academy of Sciences Oriental Studies Institute Center for Japanese Studies; and V.V. Ovchinnikov, political observer of PRAVDA; on the Japanese side: Y. Kono, prominent figure of the governing Liberal Democratic Party and member of legislature; N. Matsunaga, former ambassador to the United States and Japanese foreign minister adviser; professor N. Shimotomai, Sovietologist at Tokyo's Housei University; and M. Hirose, observer of the newspaper ASAHI.*

The roundtable was conducted by I.T. Frolov and Y. Kono.

We offer readers material from the discussion.

I. Frolov: I am pleased to welcome here, at PRAVDA, our dear guests. A joint roundtable of the newspapers ASAHI and PRAVDA will be conducted today. This action will, I am sure, serve as new impetus to the development of relations between our two newspapers in the interests of a strengthening of Soviet-Japanese relations as a whole. It acquires even greater significance on the threshold of the visit to Japan of USSR President M.S. Gorbachev. I believe that today's discussion will be our contribution both to a strengthening of friendship and cooperation between our countries and peoples and at the same time to the preparation of this visit. I regard the coming visit as a historic act. This will be the first trip to Japan by a leader of ours of such a high level. Important decisions, we assume, will undoubtedly be adopted during the visit, which will mark a qualitatively new stage in the development of Soviet-Japanese relations.

The subject that we have taken for discussion is very important. It is the problem of disarmament and security in the Asian-Pacific region and also Soviet-Japanese relations specifically.

Changes are occurring in the Asian-Pacific region that, as everyone knows, are of global significance. It may be said that in many respects a kind of shift, so to say, of certain nerve centers of world politics to the APR, whose role is growing increasingly, is taking place. Our country neighbors many countries of the region and, across the Pacific, the United States also. We are greatly interested in such processes as disarmament and strengthening of security taking place as effectively as possible here. We all remember M.S. Gorbachev's Vladivostok speech, which determined clearly the directions of our policy in the Asian-Pacific region and in the sphere of Soviet-Japanese relations. From the interview that President M.S. Gorbachev recently granted the newspaper ASAHI you have many things on which to base a judgment. A virtually precise date of the visit to Japan was given also, which is very important. It seems to me that we also should keep in mind the questions broached in this interview in our discussion.

When I speak of the Asian-Pacific region and the Pacific Ocean, I recall words of the great philosopher and writer Aleksandr Ivanovich Herzen, the Russian revolutionary democrat. As he said once, back in the last century—and few people pay any attention to these words of his—he believed that in the future the Pacific would be approximately the same as the Mediterranean is for Europe and that this region would altogether become a center of civilization. In fact, the Pacific links many intensively developing countries. We are on one shore, the United States is on the other. Yet the development of Soviet-American relations is of tremendous significance in the modern world. Thus the Asian-Pacific direction of policy is interfaced with all others. This is why the building here of a new policy in accordance with the new political thinking is so important.

When, however, we speak of Soviet-Japanese relations, we mean not simply relations but, we hope, cooperation. A peace treaty, the development of further cooperation—this is what lies ahead for us; this is what, evidently, we will be discussing today also.

Y. Kono: Permit me to say a few words about problems of disarmament and security in the Asian-Pacific region. Truly, the Soviet Union is a member of the common European home and simultaneously a member of the Asian-Pacific community, which is in itself unique. Inasmuch as it is a part of the Asian-Pacific region, thought needs to be given to how to further the cause of disarmament and security there. There are two points here. The Soviet Union and the United States, as great and militarily strong powers, have for many years maintained world order. Therefore, from the viewpoint of disarmament in our region a profound dialogue between these two powers is essential. If we take the APR countries, any of them would appear small from the viewpoint of the immense military arsenal of the two great powers. It is for this reason that it is between them that dialogue is needed. Further, in order to maintain peace and security, it is essential not only to reduce arms but also do away with the spirit of confrontation and develop the friendship of the APR countries. From this viewpoint regular conferences of the countries concerned are needed, as is dialogue.

The Soviet Union neighbors many Asian countries and cooperates today with various states of the APR, whereas earlier it developed relations primarily with China and other countries of the socialist world. It has recently been moving toward new, extensive relations with other countries, which was not the case earlier. And we support this direction of Soviet foreign policy.

As far, however, as problems of security in the APR are concerned, it is of a nature somewhat different from that in Europe. There are in Europe the Warsaw Pact and NATO, between which confrontation was predominant for many years. But, nonetheless, the structure of security in Europe was stable, and negotiating was easier for the parties. In the Asian-Pacific region things are more complex.

N. Matsunaga: It is very pleasing that PRAVDA and ASAHI are conducting such a unique roundtable. Being invited to it is for me a great honor. Speaking of the problem of disarmament and security in the APR, I will not repeat what has been mentioned already by Deputy Y. Kono. I would like to express some thoughts of my own. The world as a whole is now changing in connection with the fact that East-West relations are changing and that a search for a new path toward global cooperation, whose trend is being observed most noticeably on the European Continent, is under way. But I believe that this search will bear fruit in an Asian direction also.

For a strengthening of security in the APR an improvement in Japanese-Soviet relations is primarily essential. Political stabilization of the situation in our region, for which special efforts should be made, is essential also. In addition, we should advance the cause of economic cooperation of Asian countries, which are located within a sphere of economic prosperity. Relations are now being established between the Soviet Union and South Korea. This is a big step toward a strengthening of stability on the Korean peninsula. But there is the problem of a normalization of the situation in Cambodia, a solution of which must be achieved as quickly as possible. The common efforts of the concerned countries of our region are essential for this. As far as the problem of security is concerned, a big part in its solution should be played by Japan and the Soviet Union and also the United States and China. These four countries should develop among themselves relations and cooperation and ensure dialogue on problems of disarmament and security in the region. We await the development of a serious dialogue on problems of disarmament in the region between the two powers—the USSR and United States.

A. Panov: I have listened very closely to all that has been said by esteemed messieurs Kono and Matsunaga. I have to say that if things go on like this, there will be nothing for us to discuss because I am practically in agreement with the thoughts that they have expressed. It seems to me that this is very symbolic—both that we are discussing this topic and what has already been said here today. Most likely, this could not have been imagined even a few years ago. When the Soviet Union put forward the Vladivostok-Krasnoyarsk program, it was treated very skeptically in many countries, Japan included. But we are now actually discussing many of the proposals that were a part of this program. Why has this happened? Primarily because the strategic situation in the world is changing and the processes that are occurring in Soviet-American relations in Europe have begun to influence the Asian-Pacific region also. After all, the USSR and the United States have recognized that they are not adversaries either in Europe or in Asia. A considerable improvement is in evidence in the relations of the Soviet Union and China also.

The main reason for the lag of the APR behind world processes is, in my opinion, the fact that there is no mechanism—regional or subregional—in the region for the discussion both of questions of security and regional problems. This could lead to negative aspects. Voices are being heard there even now to the effect that the process of an improvement in Soviet-American relations is a positive process and that a significant reduction in the Soviet and American military presence in the region is possible; but might this not afford a number of regional powers an opportunity to fill the vacuum with their own Armed Forces? Japan, China, and India are being named increasingly often in this connection. Such evaluations are, in turn, leading toward a trend toward an increase in military potential on the part of a number of countries of the region. Not so much large as medium-sized and small countries, what is more. On the other hand, processes of a search for bilateral and multilateral military coalitions are beginning also. This could lead to the commencement of the formation of some military blocs. Therefore the task of establishing a negotiating mechanism in the region is extraordinarily important, and it could, in my view, be tackled in two ways. The task of creating an overall colloquium for the region undoubtedly remains. An an ever increasing number of states in the region are beginning to show an interest in this. The first meeting of foreign ministers of countries of the region took place during the 45th session of the UN General Assembly. It was held on the initiative of the foreign ministers of Japan and Indonesia. There have been other initiatives also—Australian and Canadian. There is the idea of commencing the process to improve relations between the countries of Indochina and between ASEAN countries and a proposal concerning discussion of the situation in the East China Sea.

M. Hirose: I would like to frankly express my dissatisfaction in connection with the fact that the reduction in Soviet Armed Forces is proceeding very inadequately in the Far East. In some areas the Soviet Union is undertaking unilateral disarmament. This applies to Europe in particular. That is, there the Soviet Union is acting very decisively. But as far as the APR is concerned, no such steps are to be observed. To speak of the Japanese or Chinese Armed Forces, I do not believe that they represent a threat to the Soviet Union. But from Japan's perspective, the Soviet Army is undoubtedly a serious threat to it. This applies particularly to the Soviet nuclear forces concentrated around Vladivostok. The same may be said about the Soviet Union's naval and air forces in the Far East.

ASAHI is constantly writing about the fact that the Japanese Government also needs to reduce its military spending. The National Defense Agency is opposed to this, referring to the fact that whereas an easing of the political climate is under way in Europe, this is not to be seen in the Far East and Asia. It would be desirable for the Soviet president to raise the question of creating a security system in the APR in the course of his visit to Japan.

N. Matsunaga: Japan's military policy is, generally, widely known and is being pursued under the terms of the country's peaceful constitution. Japan proclaimed renunciation forever of the creation of an army, and this was, in fact, an expression of the wishes of the whole Japanese people. In any event, as I believe, Japan's military policy amounts to the creation of the minimum forces necessary for warding off possible aggression. This is by no means an aggressive military policy based on offense. I believe that the APR countries are beginning to understand this also. Japan must in no event become a great military power. I believe that given the Japanese-American Security Treaty, on which Japan relies and in accordance with which it pursues its military policy, the conclusion of a Japanese-Soviet peace treaty would by no means be in conflict.

V. Ovchinnikov: I am very pleased that my Japanese colleagues share our aspiration to a discussion of the problems of security and cooperation in the Asian-Pacific region on a multilateral basis, with the participation of all the states concerned. I agree also with the list of factors necessary for this.

I would like to express a few thoughts in connection with Mr. Hirose's speech. He says that the Soviet Union is decisively reducing its Armed Forces in Europe, but is unwilling to act similarly in the Far East. Until recently the United States, Japan, and the NATO countries were declaring that the Soviet Union had in Europe tremendous superiority to NATO and the Western countries in conventional arms and ground forces. That this was compensated by the superiority of the United States' naval and air forces in the Asian-Pacific region. The Soviet Union has now agreed, in accordance with the Paris accords, to an equalization of its preponderance. Mr. Hirose's arguments thereby merely emphasize what Moscow has been saying repeatedly: That there should be no off-limits in the disarmament process and that this

process should be all-embracing both geographically and in the sense of envelopment of all types of arms and Armed Forces. That is, after the Soviet Union has destroyed far more of its tanks, guns and armored personnel carriers in Europe than other countries, the question of the start of Soviet-American negotiations on naval arms will be even more pertinent. Without this there can be no really general security. We agree with Mr. Hirose that the Japanese could be concerned in this connection, and we will endeavor to ensure that negotiations on naval forces be held between Moscow and Washington and that the naval and air presence of the USSR and the United States on the Asian-Pacific region scale be brought into balance.

As far, however, as Japan's anxiety apropos the Soviet nuclear potential is concerned, I would like to remind you that the Soviet Union has announced assurances of the nonuse of nuclear weapons against Japan if the latter undertakes to abide by its three nonnuclear principles. This brings us to the important question of the use of Europe's experience, which shows that the formulation and implementation of confidence-building measures is really possible only on a multilateral basis given the observance of certain principles, that of consensus, in particular.

It seems to me that it is from such confidence-building measures—in the sphere of ecology, the fight against international terrorism, and security on sea and air routes—that we could become accustomed to international discussion of problems of the security and cooperation of the Asian-Pacific region.

It is often said that the Helsinki outline cannot be transferred to Asian soil. We may speak, probably, not of the Helsinki experience for Asia but of breathing life by making use of the Helsinki example into the Bandung principles born of Asian civilization. In this sense our Vladivostok and Krasnoyarsk initiatives may be compared not with a Western painting, where each detail is carefully drawn, but an oriental painting, in the traditions of the Zen school, when only the main outlines are given and many empty places are left for everyone—conjecturing—to contribute to the picture something of his own.

N. Shimotomai: It seems to me that there is, for all that, some difference in the attitude toward nuclear weapons among Japanese and among Soviet people. The Japanese represent the population of a country that was the first to suffer from nuclear weapons, and for this reason their attitude toward them is entirely different. There are in Japan people who believe that since there is no agreement on the nonuse of nuclear weapons, they could, consequently, be used at any moment. It is essential, therefore, to keep in mind a Soviet-American agreement on nuclear disarmament. Much will depend on it.

K. Sarkisov: The idea of creating the structure of Asian security is, generally, not an end in itself. It is a question of creating some supranational structures that would help us solve our problems in relations with one another, ensure peace and security, and tackle—and this is what is most important—socioeconomic problems. Because without their solution peace and stability in the APR are hardly possible.

I understand how difficult it is for Japan to conduct a dialogue with us on military problems, proceeding from the specifics of Japan's Armed Forces and the existence of the Japanese-American Security Treaty. But I cannot understand why the Japanese side is not reacting all that readily to our proposals concerning the establishment of direct relations between the military departments. It is obvious to all that the Soviet Union is interested in political stability in the region, proceeding from the new political thinking. Japan—a principal "donor" in the region—is a country that renders others considerable economic assistance and thereby helps them tackle socioeconomic problems. The Soviet Union retains political and military influence. Consequently, there could be some interfaces for us here, and we could somewhere or other find a common language.

A. Yakovlev: It would certainly be right to confirm the positive nature of the approaches that we have heard here. At the same time, however, we most likely need—and my experience points in this direction—to seek points of contact on the difficult and complex issues now lest they impede us in the future. I have met frequently with representatives of Japan of late—politicians and businessmen and public representatives. It would seem that the nuances and subtleties are clear, by and large, but the more one talks with Japanese representatives, going into some questions in greater depth, the more complex and incomprehensible, I would say, they become. To come to the point, it is clear that the organization of international relations in the APR is at a lower level than in Europe. To me personally it is not entirely clear why. We have become accustomed to saying that everything depends on objective factors, objective circumstances, and the concerns that have actually taken shape, that is, on a sum total of factors. But viewed from this standpoint, the Asian-Pacific region has, I believe, all the objective prerequisites for the development there of processes akin to European processes, with their own emphases, singularities, and problems characteristic of this region, of course. In addition, there could, in my view, be even more grounds for such a process in this region at this time. Rather, there could be fewer difficulties.

In the past five years the Soviet Union has settled relations with such a great power as China, which, of course, has played, could not have failed to have played and will continue to play an ever increasing role—both economic and political—in this region. There has been a significant reduction in forces on both sides of the border, and we are continuing negotiations in this sphere. During the top-level meeting, incidentally, at which I was present, the Chinese did not once say that we represented or now represent for them a military threat. Nor, I believe, does the Japanese side have reason to

believe that we represent for them some military threat. Confirmation of this, at least, is the fact that many years have elapsed since the war, and I cannot call to mind an instance of even a simple exacerbation of the military situation, let alone a major one.

Our forces have been withdrawn from Mongolia, and there remain of them there a number that represents not the slightest threat to anyone. Relations with South Korea, which had always been a certain irritant, have been settled. We are establishing relations with Thailand, with Burma, with the Philippines, with Australia, and with Indonesia. Of course, there are problems here, but we are experiencing nothing that goes beyond the framework of customary normal diplomatic life. With Japan itself, if understood in point of essence, relations are normal and mutually respectful. Recently they have become active to such an extent, I would say, that neither side has had the time to digest its partner's proposals. The Japanese side knows full well what we want. We have a clear idea of what the Japanese want. It could only be a cause for regret were all kinds of important proposals pertaining to an interregional settlement or bilateral relations and their expansion to be hedged about with conditions in some way. We should, most likely, develop our relations without any "ifs." Simply develop them. The very development would show us the fairness or unfairness, possibility or impossibility and probability or futility of this solution or the other that is or could be an obstacle in the way of the development of relations.

Some of our Japanese colleagues have assured us now that Japan's policy is of a defensive nature: defense and only defense, nothing more. I believe that you are trying to persuade us of this to no purpose. We believe this to be the case. I, for example, do not allow that Japan will start to pursue a policy of aggression and war against the Soviet Union. But I would like with the same insistence to ask that you believe us also that our military policy contains not one iota of aggression or aggressive designs against Japan. For this reason all talk about a threat still bears, I believe, the imprint of the past propaganda-dogmatic mood.

I believe that bilateral relations need to be developed regardless of everything. I am even getting the impression that appreciable changes in intentions have occurred in your business world in this respect. The Soviet Union has been visited recently, according to my calculations, by approximately 15 serious, respected and, I would say, high-ranking groups of business representatives. I already know of perfectly specific proposals of the Japanese side, I repeat, perfectly specific. Whereas six months or even a year ago talks were being held on a very general level, Japanese business is now talking to us in specific language. I consider this a very serious change. Territorially, we have been condemned to good relations, to millennial existence together. We should be displaying historical responsibility to our future life and be equal to this responsibility in order, on account of some lack of agreement or something else, not to drive the relations of the two great peoples to the point of impasse and not drop out of the world process, when interests and values common to all mankind are beginning more and more to gain the ascendancy.

N. Matsunaga: Japanese-Soviet relations will be of tremendous significance for the whole world community. Indeed, the APR will be a broad arena for international cooperation in the future. This region has tremendous potential for prosperity. The more so in that we can see its highly developed economic potential even now. Such a powerful factor as stable cooperation between Japan and the Soviet Union is essential for its continued growth. Our countries should be discussing this topic constantly. In this sense I place big hopes in the development of our bilateral relations and take an optimistic view. I would like us in the course of President M. Gorbachev's visit to Japan to hear words confirming this optimistic trend.

A. Panov: What Mr. Matsunaga said was very constructive, particularly as concerns Soviet-Japanese bilateral relations. I also believe that it is time for us to take our bilateral relations into the top international league, so to speak. As yet, unfortunately, the negotiations that we have held have represented, in the main, an exchange of opinions on international problems and an exchange of expositions of position. There have been no attempts to somehow bring these positions closer together and act with some joint steps in the international arena. Finally, in September, at the negotiations at foreign minister level, we succeeded for the first time in presenting a common foreign policy action. This was a joint statement in connection with the events in the Persian Gulf. Both parties recognized that this was a statement important and useful to both sides. I believe that it was heard in the international arena and made its contribution to international politics. I believe that we have an opportunity to act jointly on a whole number of other problems, in respect to the Asian-Pacific region particularly. Mention has already been made here of the Korean problems. Without interfering in the internal affairs of the Korean states and their mutual relations, we could contribute to the creation of propitious external conditions for a lessening of tension on the Korean peninsula. The same applies to the problem of a Cambodia settlement.

The second aspect that Mr. Matsunaga mentioned is a peace treaty between our states. A situation has taken shape now where the peace treaty working groups that have been created at the level of the two states' foreign ministries and that have already held six rounds of meetings have the best and most information on this issue. I have taken part in the work of these groups. Both sides have performed a tremendous amount of work on study of the historical, legal, political, and even emotional aspects of the problem. It would most likely be useful to publish all this material at some time. But it is clear even now that the problem is extraordinarily complex and can have no simple solution. For each argument

of one side the other immediately finds a counterargument. It seems to me that we need first of all—academician A.N. Yakovlev spoke about this also—to move toward the development of our relations with a radical change therein, in all areas, what is more. In the political sphere, for example, and this would be one area. A second area—the parties' economic relations—requires a radical change also. There are many problems here, and everyone recognizes that all forms of our economic relations that have existed up to the present are exhausted to a considerable extent. We need to more vigorously seek new forms of economic interaction. Finally, a very important question—trust in the military sphere. Unfortunately, in Japan the very word "trust," in the military sphere particularly, is unpopular when it comes to Soviet-Japanese relations. But I am convinced that we need to commence contacts in the military sphere also. Because we could simply say endlessly that one side is apprehensive of the military activity of the other. We need with the aid of a mechanism of military contacts to remove these apprehensions.

A. Panov's speech evoked a lively response among the participants in the discussion. The most varied viewpoints and approaches to a solution of the problems preventing as yet the full-blooded development of Soviet-Japanese relations were presented and specific proposals on this score were put forward in the course of the exchange of opinions. The problem of the so-called "northern territories," in which connection the most diverse opinions and views—from diametrically opposite to moderate-compromise—were expressed, was also broached, inter alia.

I. Frolov: A roundtable is a roundtable, it remains an expression of the opinions of different people, these including, for example, the last question, which has been discussed so heatedly here, and there could, possibly, be different approaches here. I do not believe that our mission is to provide anyone with some recommendations. We are expressing our opinion and speaking frankly, and this is very important. We will recount the discussion in our newspapers. I hope that we will continue our meetings and our discussions. The negotiating processes will continue also, as will the development of our relations and the development of the objective positive trends that have already been observed in our relations. This is what is most important.

Y. Kono: As the second chairman, I also have the right to sum up briefly. Japan and the Soviet Union have had many differences in the past. These differences have been brought about both by the difference in social system and form of government and other factors. But, it transpires, the two countries also have much in common and much that is kindred, and we should not forget this. Proceeding from this, it is very important that we seek mutual understanding on the basis of this which we have in common and all that links and unites us.

Southeast Asia & Pacific

USSR Works on Asian-Pacific Cooperation Draft

91UF0430A Moscow PRAVDA in Russian
2 Feb 91 Second Edition p 5

[Article by PRAVDA correspondent V. Skvortsov: "The 'Dragons' Need Integration: At a Meeting of the Members of Parliament of the Asian-Pacific Ocean Region"]

[Text] Pattaya, 1 February—From the windows of the Ambassador City hotel at the ocean resort of Pattaya, 130 km south of Bangkok, the malachite surface of the Gulf of Thailand is visible in the distance. It is as though the sea, stretching beyond the horizon, has aroused fabulous dreams for the more than 200 politicians from 30 countries who have assembled in this "heavenly corner" of the tropics for the first interparliamentary conference on economic cooperation of the countries of Asia and the Pacific Ocean basin.

In the course of the current decade the Asian-Pacific Ocean Region has been the sole region where, as opposed to other regions of the world, economic recession was for the most part not observed. A record for annual average economic growth has been set at more than seven percent. In the seventies that indicator was 5.3. In the current decade of the waning century and millennium, just such temporal indices were in common use by those assembled at the Ambassador City—figures of eight and more percent were being cautiously named in the predictions.

If experience is any guide, the Asian-Pacific Ocean Region is made up of an especially energetic group of countries in Southeast Asia—Singapore, Thailand, Malaysia, and Indonesia. Although in terms of per capita income they are still far from South Korea, Taiwan, and Japan, they are the "fastest" in terms of rate of growth. A fundamental prerequisite for this, as the members of the parliaments believe, is the full integration of the "Asian dragons," as the most dynamic countries of the Asian-Pacific Ocean Region are often named, with their mighty neighbors around the ocean, particularly Japan.

The beginnings of integration within the framework of the Asian- Pacific Ocean Region are already showing results. The Asian-Pacific Ocean Economic Council, created on the initiative of Australia and made up of 12 countries, has existed for many years. In the conference hall of the Ambassador City it was mentioned that the four northern provinces of the PRC, Mongolia, the Siberian and Far Eastern regions of USSR, the DPRK, and Japan are preparing a plan for subregional cooperation. Quite serious problems remain, however, which hinder quick results. But whatever happens there, the participants in the first interparliamentary meeting of the countries of the Asian-Pacific Ocean Region believe that the stage of working out a concept of regional cooperation will have been achieved after Pattaya. As they parted to go home, they were determined to move

on to practical work to broaden cooperation in trade and investments and the exchange of technologies and information.

Commentaries Examine Cambodian Situation

Thai Efforts for Solution Viewed

BK1402080191 Moscow in Cambodian to Cambodia 1100 GMT 13 Feb 91

[Aleksey Nikolayev commentary]

[Text] Thai Prime Minister Chatchai Chunhawan, who has firmly adhered to the policy of turning Indochina from a battlefield into a center of peaceful cooperation, has met with Prince Norodom Ranariddh—son of Samdech Sihanouk—and will soon meet with Khieu Samphan, leader of the Khmer Rouge group, and then Comrade Hor Namhong, foreign minister of the State of Cambodia. It is expected that Comrade Hor Namhong will arrive in Bangkok on Friday. Also invited to the Thai capital is Mr. Son Sann, leader of the third Cambodian resistance group.

So far, it is not yet clear whether or not there will be a joint meeting in Bangkok, with Thai intervention, of the four Cambodian factions or whether after separate consultations these factions will meet within the framework of the Supreme National Council [SNC].

Recently, Indonesia and France, as cochairmen of the Paris International Conference on Cambodia proposed that the SNC meet in Jakarta. The main point in the agenda is to settle all the differences among the Cambodian factions regarding the fulfillment of the peace plan for Cambodia drafted by the United Nations.

A few days ago, the Thai prime minister warned that if this work was not successful, its consequence would be very negative. This matter seems to be an incentive for Bangkok to try to seek a basic groundwork for compromise through direct meetings with the Cambodian opposition groups and Phnom Penh.

Meanwhile, worrisome news keeps coming directly from Cambodia. As a matter of fact, a few days ago, the Khmer Rouge radio reported on the Pol Pot armed forces' heavy firing of rockets and artillery shells into Battambang town. All these reports coincide with Samdech Sihanouk's appeal made from Beijing calling on leaders of the Cambodian opposition groups to jointly intensify their armed struggle. It seems that Phnom Penh's recent proposal for discussion of a voluntary cease-fire at the SNC meeting has again been ignored by the opposition groups.

Obviously, in such a situation, Thailand's intervention mission has encountered major difficulties. It should be said that all of Bangkok's latest proposals, if accepted by the Cambodian factions, would certainly pave the way for peace in Cambodia and help to promote national reconstruction after the end of the war. Those proposals include the formation of two working groups within the framework of the Cambodian SNC, the first group dealing with repatriation of the Cambodian refugees and the other being in charge of drafting a plan to rehabilitate Cambodia's economy.

Mr. Chatchai Chunhawan pointed out a few days ago that leaders of the Cambodian groups, unlike their compatriots, are leading a much better life.

This remark, according to our commentator, Comrade Aleksey Nikolayev, is a direct signal hinting that it is time to end the war. It is in this direction that the Thai diplomatic sector is intensifying its efforts in the Bangkok talks with the representatives of all Cambodian factions.

'Namibian Formula' Suggested

91UF0337A Moscow PRAVDA in Russian 11 Jan 91 Second Edition p 4

[Article by Vsevolod Ovchinnikov: "Search for a Formula of Agreement"]

[Text] I have just returned from Beijing and am happy to affirm that there, as in Moscow, people hope and believe that the year that has just begun will bring peace to Cambodia and that one more regional conflict—in Southeast Asia—will soon be added to the number of those settled by the joint efforts of the world community.

The Cambodia tragedy is a typical offspring of the "cold war." It was the mentality of the irreconcilable struggle of the two systems that accustomed politicians to seeing any regional conflict as a manifestation of the global confrontation between East and West and between the USSR and the United States.

Twelve years ago, given the decisive role of Vietnamese forces, the bloody Pol Pot regime was ousted. Its crimes before its own people and its subversive activity against neighboring countries are common knowledge. But inasmuch as Moscow supported this action on Hanoi's part, Washington did everything to mobilize world public opinion against it. The more so in that an analogous allusion to "international duty" was subsequently used by Moscow to commit Soviet forces to Afghanistan.

Vietnam's military intervention made a solution of the internal problems of this long-suffering country dependent on Soviet-American, Soviet-Chinese, and Sino-Vietnamese contradictions. This is why it has for so long been impossible to extinguish the center of tension in Southeast Asia. Only in recent years has an international context condusive to this begun to take shape.

The USSR and the United States no longer view regional conflicts as an arena of Soviet-American confrontation, but are cooperating fruitfully in their settlement. After the normalization of Soviet-Chinese relations has put an end to the unnatural estrangement of the two neighboring socialist powers, the conflict in Cambodia remains the last "thorn" impeding the more active

interaction of the USSR and the PRC in the world arena. Finally, the dramatic changes in Eastern Europe and the difficulties of perestroyka in the Soviet Union are, as far as I can judge, causing concern both in Beijing and in Hanoi, prompting their rapprochement.

In a word, a common concern for a settlement of the conflict has emerged in the outside forces involved in it. Since the "cold war" has become a thing of the past, the role of the United Nations in such matters has become far more effective. Throughout the past year the five permanent members of the UN Security Council worked intensively on a draft agreement for an all-embracing political settlement of the Cambodia problem. A package of the corresponding documents had been prepared by the end of November, and a month later their main propositions had been approved by the direct parties to the conflict represented in the Cambodian Supreme National Council. The foreign ministers of the 19 countries, which in 1989 took part in the Paris international conference on Cambodia, have thereby been afforded an opportunity in the coming months to meet once again in the French capital to sign the summary documents.

It was not easy for China, the Soviet Union, the United States, and the other members of the "big five" reducing their positions to a common denominator. The draft on which they ultimately reached agreement was criticized on the part of Phnom Penh, however. It objects to the fact that the key ministries in the present government of Cambodia were placed under the supervision of a provisional UN committee and also doubts the possibility of disarmament down to a certain level of all four belligerents (for monitoring the disbandment of the opposition formations is incomparably more difficult than the government forces). Phnom Penh does not agree with the fact that the present administration, which controls nine-tenths of the country's territory and has a powerful army, would essentially be removed from power even before the start of the election campaign.

Such objections are not, perhaps, unfounded. It is not fortuitous that it is the "Khmer Rouge" that is campaigning the most actively for the UN draft in its present form. It seems to me that the best way to overcome the difficulties that have arisen is to apply in Cambodia as fully as possible the experience of Namibia. In accordance with the "Namibian formula," the provisional UN committee was entrusted with questions directly connected with the preparation and organization of elections, whereas other day-to-day matters were dealt with by the former authorities (right up until the declaration of the results of the ballot in Namibia the South African administration continued to function). Such a solution of the question of the transitional structures made it possible to ensure the free say of the people.

The draft agreement proposed by the "big five" could take effect only if it is acceptable to all. I would like to hope that prior to the final stage of the Paris international conference on Cambodia its participants will display sufficient good will to overcome the remaining disagreements. This would make it possible to put an end to the protracted conflict in Southeast Asia.

Paris Conference Prospects Viewed

BK0901094191 Moscow in Cambodian to Cambodia 1100 GMT 8 Jan 91

[Viktor Valentinov commentary]

[Text] In a couple of weeks, that is around February, the Paris International Conference will resume work in the French capital. Frantic preparations are being made in different places for this conference. Our observer, Comrade Viktor Valentinov, has the following comments:

Diplomats in the capitals of the permanent five UN Security Council [UNSC] member countries are working without respite. As everyone knows, these five countries have made several recommendations for the peaceful solution to the Cambodian problem. Most of these recommendations have already been accepted by the warring Cambodian factions. It is only natural that the five permanent UNSC members want to finish their mission in Cambodia, that is, to restore peace in this country.

Over the past few days, the bulk of the work has been undertaken by France and Indonesia, the co-chairmen of the Paris International Conference. This not-so-easy task has been shouldered voluntarily and it has been carried out steadfastly, industriously, and with gradual success. In any case, I dare say that without the contribution of France and Indonesia the current process for a solution to the Cambodian problem would have remained far removed from the ultimate objective. There is no doubt in my mind that Paris and Jakarta would do their best for the success of the coming conference.

The situation in Cambodia itself, however, is much more complex and I mean the attitudes adopted by the four Cambodian factions, the ones who are bound by duty to restore peace in their own country. It is complex because they do not have the slightest trust for one another. The Cambodian factions have been at war with each other for the past 20 years. It is therefore not hard to understand why their relationship is still full of mutual distrust. In particular, not only have the Khmer Rouge, which militarily forms the most powerful group in the Cambodian opposition, failed to cease their campaigns against the Phnom Penh government forces, they have also been expanding them.

It is the dry season in Cambodia now. In the previous years during this season, the situation has always been under the control of government forces which were better equipped with battle gear and military transport vehicles. This time, the military situation is developing differently. Phnom Penh no longer makes counter-offensives because it does not want to jeopardize the chances for a successful Paris conference and because it wants to sign a cease-fire agreement as soon as possible. Taking advantage of such circumstances, the Cambodian

opposition factions, first of all the Khmer Rouge, have captured a number of townships in the northern and northwestern provinces adjacent to the Thai border. It appears that they are betting on the possibility that between now and the opening of the Paris International Conference they would be able to declare a portion of the country's territory as liberated zones and, to subsequently to increase their leverage at the talks.

Such military tactics certainly cannot stop Phnom Penh circles from being suspicious, because if the UN plan were to be strictly observed, the confronting armies would be separated after the cease-fire and then disarmed. If this were to happen, one wonders why the Khmer Rouge need to have the so-called liberated zones?

It appears that the Khmer Rouge hope they will be able to avoid being controlled by the UN peacekeeping force and conceal their military potential, including troops and arms. It is normal that in the face of such a situation, the government of Comrade Prime Minister Hun Sen has to take appropriate preventive measures. The United Nations, too, has a role to play in this matter. The mission of this international organization is said to be successful only when the process toward resolving the conflict in Cambodia is undertaken in an overt and honest fashion and only if no Cambodian faction involved in this process tries to hide any trump cards up its sleeves.

Commentaries Assess Burma Situation, Prospects

Prospects Viewed on National Day

BK0902141191 Moscow in Burmese to Burma 1200 GMT 8 Feb 91

[Oleg Barkov commentary: "The importance of Panglong Spirit"]

[Text] The Union Day, which falls on 12 February, is one of the most important national days of Myanmar [Burma]. The representatives of the indigneous races residing in Myanmar signed an agreement on that day in 1947 at Panglong, paving the way for the creation of the Union of Myanmar. In his speech delivered at Panglong, General Aung San said they [indigenous races] had been able to preserve their own traditions and cultures and had enjoyed the privilege of religious freedom. He also pointed out the need for cooperation in attending to the expansive matters of the state. Radio Moscow correspondent Oleg Barkov's comments follow:

At Panglong, the general also asked whether the new Myanmar should be a Union or a unitary state. He admitted it was not possible to build a unitary state and said it was necessary to establish a union which would guarantee the rights of the indigenous races and a synchronized economy. This ideal became known as the Panglong Spirit. However, it is regrettable that after General Aung San was assassinated that his ideals have not materialized. Instead, there were widespread insurrections following the attainment of Myanmar's independence.

The U Nu government's declaration of Buddhism as the state religion reflected its narrow mindedness and did not contribute much to national concord. After 40 years, the armed struggle of secessionist insurgents continues and has caused a great deal of damage to Myanmar.

During these years Myanmar reached the stage of near disintegration more than once. This danger of disintegration brought the Revolutionary Government into power in 1962. The main objective of the Revolutionary Council was to seek political and economic stability for its people. It is undeniable that many attempts were made during the Burma Socialist Program Party [BSPP] era to solve this national problem but the Yangon [Rangoon] government was unable to attend to this consistently. On the other hand it could be pointed out that the personal interests of the leaders of separatist groups prevented them from achieving reconciliation.

We must not forget that some circles outside Myanmar did not want to see Myanmar emerging as a united and strong country. They took every opportunity to add to its internal problems. That is why insurgent groups continue to be active in the Shan, Kachin, Karen, and the Mon states, while peaceful people continue to die and artillery fire continues in the jungles.

Experts point out that Myanmar spends 40 percent of its national income on defense, used mainly against the insurgents. Even more developed countries cannot afford to spend this much. The State Law and Order Restoration Council [SLORC], which seized power in 1988, announced the ending of insurgent activities as one of its major tasks. In doing so, the SLORC is depending mainly on the military solution in dealing with the problem. But, according to some facts, we understand that Senior General Saw Maung's government is using its military achievements to strengthen its nationalities policy.

With that intention in mind, the SLORC formed the Central Committee for the Development of Border Areas and Indigneous Races in May 1989. As part of the committee's efforts, the military government has signed agreements with the Wa and Kokang leaders to end insurgent activities in their areas and to conduct border patrols. The SLORC also stipulated that representatives of indigenous races must be included in the drawing up and endorsment of the new constitution. These steps should pave the way for mutual understanding among all people of the Union of Myanmar.

Rights Review by UN 'Unavoidable'

BK0602100391 Moscow in Burmese to Burma 1200 GMT 5 Feb 91

[Andrey Petrishin commentary]

[Text] Dear listeners, you may have heard news about the United Nations discussing some problems associated with Myanmar [Burma]. In this connection, our station commentator Andrey Petrishin has these comments:

A speech by the Myanmar delegate at the UN forum caught the attention of those present there. It must be pointed out here that the Myanmar delegate, U Ohn Gyaw, who is also the deputy foreign minister, admitted the difficult situation in Myanmar. The situation in that country has elicited the interest of many people, particularly in recent times.

I want to raise a point at this juncture. In years past, those in the United Nations have been commenting about Myanmar's closed door policy and its isolation from international affairs. Perhaps that portrayal no longer holds true for Myanmar today. Unlike before, U Ohn Gyaw's speech this time around contained Myanmar's stance on many important international issues. U Ohn Gyaw positively viewed the aptitude of UN Security Council members to achieve an understanding among themselves. He said such an understanding will on the whole make a positive contribution to the international situation. The Myanmar delegate also expressed the hope that the strategic arms limitation talks will be a success. He called for the banning of chemical weapons and for a total halt to all nuclear testing. Myanmar, he said, welcomed the reunification of Germany and Namibia's independence.

All these can be pointed out as positive factors for Myanmar. Personally, I believe such statements by Myanmar confirm that it is working to rejoin the Nonaligned Movement. At the same time, the Myanmar delegate countered the charges being made against his country in the United Nations. Observers say that some new developments were observed in this connection.

The Myanmar deputy foreign minister did not reject the transfer of power based on the results of the elections held last year. He also pointed out, however, that the transfer of administrative power can only be made to a strong and stable government established in accordance with the new state constitution. But those in the United Nations know very well that it is still too early to have any definite answers about the new constitution. In addition, investigations are still going on today about the candidates' campaign funding and election expenses. The military authorities give the excuse that the election results cannot be honored until such investigations are over. This being the case, it comes as no surprise that the international community is a little dubious about the military regime's declaration that it is prepared to hold talks with the elected representatives.

In the meantime, according to a report released by Amnesty International, the military regime recently started arresting many elected People's Assembly representatives again. According to the documents distributed at the United Nations, among those taken in during the latest round of arrests were 20 active leaders of the party that had won the elections. The question then is, how can the representatives of that party be able to attend the National Convention that is likely to be held in the near future? It is known to all that that convention will decide what laws should be embodied in that constitution.

It is also very interesting to note the deliberations by the UN Human Rights Commission on the report independently prepared by Professor Sadako Ogata after her visit to Myanmar. The envoy was not given any permission to visit anywhere, except Yangon [Rangoon]. In addition, we learned that she was not allowed to meet the opposition leaders or the political prisoners.

The question is: Will Myanmar be censured again because of these? As is known by all, 20 nations have presented a draft resolution that contains human rights violations in Myanmar. By all reckoning, it seems the deliberation of the issue in the United Nations is now unavoidable.

Past Viewed on Independence Day

BK0501122591 Moscow in Burmese to Burma 1200 GMT 4 Jan 91

[Yuriy Kostin commentary]

[Text] There will never be, presumably, as happy and auspicious a day as 4 January [independence day] for the Burmese people. But feelings seem to be different this independence day. I think we should analyze the main causes that has placed the Burmese society in this situation. The military leaders who took the power into their hands and established the Burmese way to socialism must now admit that they did not consider the people's basic economic needs when implementing reforms. I think this is the effect of excluding bona fide farmers and workers from the Central Executive Committee of the Burma [Myanmar] Socialist Program Party and in the Peoples' Assembly. They are also not included in regional administrative bodies. The top posts in the central and respective regional organizations have been held by officials who have discarded their military uniforms. They lack experience in implementing planned tasks and programs and could not follow it.

In this case we need to point out the obvious success achieved in education and health, however. In general, the implementation of the socialist program appeared to have only an external aspect with plaudits of flowery words. That is why the program became lacking in essence and the democractic system became dominant in the administration of economic enterprises and society. In this case, a complaint should be raised on whether the nationalization of farmlands is beneficial to farmers. It is certainly beneficial to farmers but we must also point out that after the nationalization the government imposed restrictions and practised uneconomical methods in purchasing farm products. As a result of these inefficient systems many difficulties concerning rice for exports and local distribution have arisen.

Finally, capital investments began filtering into the black market trade. Rice exports plunged dramatically and foreign exchange earnings also dropped considerably. According to World Bank facts and figures, the annual value of black market trading is $3 billion, excluding income from narcotic drugs. In reality, it is more than five times Myanmar's foreign trade value. Apart from that, Myanmar is using more than three quarters of its export earnings to repay its foreign debt which has soared to more than $6 billion. Next, consideration must also be given to the war with the insurgents which consmes up to 40 percent of the national budget. That is why it is not surprising that Myanmar is considered as one of the world's least developed countries, according to per capita income.

In an attempt to save the country from its deep economic difficulties, the government demonitized higher denomination currency notes without offering any compensation. Although this was supposedly to fight black market trading, in reality it dealt a great blow to the majority of the people. Various schemes to encourage private enterprises and to lure foreign investments were not fruitful and it is clear that those moves came late. That is why the movements and the mass demonstrations of September 1988 grew and increased unprecedentedly. The demonstrations were apparently stopped only when martial law was imposed. After having experienced these events, it is not surprising that the antimilitary government forces won the May 1990 elections. But, up till now it is still unclear when the duly elected National Assembly will be convened. I presume that the National Assembly will have to decide on the nearest future development prospects of Myanmar which has traveled a very difficult and rough road after gaining independence.

Historian Examines, Assesses Situation in Burma

Eyes Economic Problems

BK1501034191 Moscow in Burmese to Burma 1230 GMT
14 Jan 91

[Commentary by Soviet historian Dr. Vladimir Vasilyev]

[Text] We understand that difficulties continue to plague Myanmar [Burma] today and that the Myanmar people are enduring a very hard life from day to day. Commodities are scarce and inflation is rampant. Universities continue to be closed up to this day. We had hoped that the many controls and restrictions imposed against the people would have been lifted soon after the elections. This however never happened. I can understand why the Myanmar people are in such a state of despair and confusion. It is also a very well known fact that apart from these problems, the country remains under the pall of a tense political climate.

The question to raise here is whether the 1988 crisis emerged out of the blue. It is common knowledge that many important economic laws were passed by the military leaders who came to power in September 1988. My impression is that they were able to take into account the long-standing needs of the Myanmar economy. The economy in Myanmar has remained stagnant for a long time because of the nationalization process that was wideranging and beyond what was actually needed, because private businesses were dismantled, and because it has remained isolated from outside markets. I believe that these are the causes for the economy facing difficulties.

New laws have been passed removing the shackles that once restricted the economy to create prospects for invigorating and developing it. In October 1988, I remember the Trade Ministry abolished previous restrictions imposed against private entrepreneurs for both domestic and foreign trade. That move initiated an open-door economic policy in the country. The Foreign Investment Law was passed at the same time. This law is now being recognized as the law that paves the way for the open-door economic policy.

Under this law, the Myanmar authorities restrict the state sector and reserve only the most important enterprises for it while allowing the private sector to become extensively involved in other enterprises, especially in the exploration and extraction of the country's rich natural resources. I believe this law was aimed at attracting foreign investment in Myanmar and earning large amounts of income for the country's economy as well as at receiving the latest equipment and technology.

I have closely studied the recently promulgated Law No. 222 on private economic enterprises which clearly shows the reliance on the private sector for upgrading and modernizing the entire industrial sector. The private sector surpasses the state sector during this fiscal year. It can be concluded that the economic laws that have been passed over the past two years are very essential to help overcome the difficulties. This conclusion is true only in theory while in practice the economic difficulties remain, however. There are many questions, such as, why does economic production continue decline? Why are foreign investments not pouring into Myanmar to this day?

According to statistics, 650 private enterprises have registered and the majority of these enterprises are engaged in trading. There are some foreign partners among them. Furthermore, Myanmar was able to sign contracts with other countries for the exploration of inland resources. Although it is true that these enterprises are earning some form of short-term income, they are not capable of guaranteeing that the fundamental problems facing the national economy will be overcome.

I believe that while many explanations and opinions can be given for the condition of the Myanmar economy, one of them is purely economic. For instance, the exchange rate of the Myanmar kyat currency in relation to the

dollar is unrealistically high and it is also not economically viable for entrepreneurs. Furthermore, the existing exchange rate is not recognized by other countries, and many state enterprises—which are operating at a loss and which are drawing subsidies from the state budget—are draining the state budget.

The source of Myanmar's existing economic problems also lies elsewhere—in social as well as political problems. I will be addressing these issues in the next session.

Views Political Influences

BK1501142591 Moscow in Burmese to Burma 1200 GMT
15 Jan 91

["Continuation" of commentary by Soviet historian Dr. Vladimir Vasilyev]

[Text] Yesterday, I said that a number of private enterprises registered for operating rights following the passing of new laws in Myanmar [Burma] and that among them were some foreign companies. Although it is true that these enterprises generate some sort of income for the state, they cannot be deemed a complete solution to the economic difficulties facing the country.

Why? The main factors that cause stagnation in Myanmar are not just economic, but others as well. For instance, it must be pointed out that enterpreneurs do not have faith in the military authorities and fear that the government might change its attitude later. Anxieties remain mainly because political tension continues to exist. People have become tired of their production roles and have turned apathetic to the situation. There is also one reason that is purely social in nature; the state bureaucracy has become an obstacle to the implementation of the new economic policy.

The goal of most people involved in that state bureaucracy is to retain a situation in which work is done through orders given from the higher echelons. This is a system that suits government bureaucrats the most, and these bureaucrats who hold sway in every sector are the very people hampering economic progress. This is not a rare phenomenon and can be seen in many countries trying to develop their economies in various ways. But what is remarkable about Myanmar is that it is either the military personnel or those close to them who become bureaucrats over the years. Perhaps some might argue that that statement is self-contradictory because the military, which is trying to develop the economy, is also an obstacle to that goal. This can be explained.

First, in terms of social status and rank, military personnel hold sway in every strata. Secondly, it must be pointed out that economic reforms are being carried out because that cannot be avoided. Reforms were announced and efforts were made to implement them only after it became known that the old system would not work.

Political reasons play an even more important role. Companies, be they local or foreign, do not want to take risks with investments if political stability is uncertain. The political situation in Myanmar is just like the scenario described and this is undeniable. The military is involved in and has taken direct charge of all the state administrative organs. The elections were also called by the military because it could not avoid doing that. This is evident from the fact that the military authorities are refusing to acknowledge the outcome of the elections which saw the democratic forces winning a clear-cut victory. The military has not permitted the convening of a legislature and has prevented a democratically elected civilian government from taking over power. Devising new tricks and resorting to old means, the military has postponed that process indefinitely. Procrastinating over political changes also meant the delaying of conditions conducive to economic development.

Economic progress demands discipline. It is true that the military is trying to do things in a disciplined way in the country. But whatever is being done is in the form of military discipline. Because of that, and under the prevailing political situation, many people feel that the economy cannot develop in Myanmar. In addition, even if the laws that look so good on paper work, there can only be partial success and the results will be minimal.

We must also take another point into consideration here. Myanmar is a less developed country and it is always in need of foreign assistance and investment. But under the situation today, in which the military is refusing to recognize the outcome of the elections and many capitalist countries are continuing their boycott of Myanmar, such assistance is needed even more. Among the countries joining the boycott are those which had been helping and investing in Myanmar. Hence, the prospects of linking up Myanmar's needs with the global capital market are indeed very dim.

The key problem in Myanmar today is that the political situation is acting against economic development. The situation constitutes a major contradiction that should, and will, be resolved without fail in time. But what remains unclear is when and how that will come about.

Ambassador Appointed to Kiribati

PM0602165791 Moscow IZVESTIYA in Russian 1 Feb 91 Union Edition p 7

[Unattributed "Chronicle" report]

[Text] The USSR president has appointed Yevgeniy Fedorovich Rogov, USSR ambassador extraordinary and plenipotentiary to Papua-New Guinea, USSR ambassador extraordinary and plenipotentiary to the Republic of Kiribati simultaneously.

Near East & South Asia

Lebanese President Interviewed on Policies

LD0602231191 Moscow TASS in English 1534 GMT 6 Feb 91

[By TASS correspondent Ratmir Orestov]

[Text] Beirut February 6 TASS—Lebanese President Elias al- Hrawi received a group of Soviet journalists. During the conversation he dwelt on some aspects of Lebanon's domestic and foreign policy.

Lebanon which has lived through 16 years of civil war and embarked on the road of peace cannot remain a part from the processes of intergration and rapprochement of peoples, the president said.

"We wish to be open to the whole world and to cooperate with other countries on the basis of independence and equality," the president said. As an example of this cooperation he mentioned relations between Lebanon and Syria in the framework of which the stronger state has no intention of imposing hegemony over the weaker country. Interacting with Syria, Lebanon preserved independence and freedom, the parliamentary system and democracy.

President Al-Hrawi condemned Iraq's occupation of Kuwait. As a member of the United Nations and one of the founders of the League of Arab States, Lebanon cannot approve of the seizure of a small country by a larger state. This policy poses a threat for other small countries of the region, first of all for Lebanon itself. "It should not be forgotten that in the south our country borders on a hostile state, Israel. The strategic balance in the region has been established due to the Soviet Union by some arab countries in the region, yet danger for Lebanon persists," the president said.

The head of the Lebanese state set out its views concerning relations with Palestinian organisations operating in Lebanon. "We respect and highly appreciate the actions of the Palestinian people which rebels against Israeli occupiers on the Gaza Strip and in the West Bank of Jordan," he noted. "But we can no longer put up with what Palestinian organisations do in Lebanon. We support the Palestinian uprising in Palestine and in Israel, but we cannot tolerate the opening of an anti-Israeli front in Lebanon as we shall not survive another war," the president said.

If Arab countries decide to declare war on Israel, Lebanon will contribute to it. But it should not be tolerated that Lebanon should land in confrontation with Israel on its own," the president said.

Any oppressed people has a right to rebel, but for Lebanon the Palestinian revolution resulted in much suffering, he said. Attacks on the Israeli borders from the south of Lebanon resulted in the aggression of 1978 and in the occupation in 1982. israel then returned rocketry fire by Palestinian camps on the Lebanese territory with bombing and shelling of Lebanon. We hope that Palestinian organisations show wisdom and will not plunge us into a new catastrophe which may result in Israel's seizure of Lebanon's south or in the destruction of one of Lebanese districts.

The Palestinian problem must" be resolved at a negotiating table, in the framework of an international conference for which many countries call, above all, the Soviet Union.

The overwhelming majority of Lebanese and the country's political parties suggest that troops be sent to South Lebanon to boost the population's morale and confirm the presence of state authority in the country, the president said.

"At present we are unable to disarm Palestinians by force or hold out against Antoine Lahad's militia backed by Israel, the president said. At the same time, the presence of the Lebanese Army in the south might set the beginning to the implementation of the U.S. Security Council's Resolution 425. "We all wish our country's liberation, but we intend to press for this by political means, relying on the assistance of friendly forces, among them, the Soviet Union," President Elias al-Hrawi says.

Dwelling on the political situation in Lebanon President Al-Hrawi said that the Al-Ta'if agreement is the beginning of the path to peace and not a new constitution for which all the Lebanese are striving.

Lebanon consists of 17 Christian and Islamic communities, each of which has its own orders, the president said.

The single regime should be equally applied to all Lebanese in preserving each community and its religion. The regime should be based on the principles of patriotism and not confessionalism.

Al-Hrawi stressed that a return to internecine strife in Lebanon is out of question. Those who were enemies yesterday become friends today, the president said. "I welcome such rapprochement if it serves the interests of the country, and I hope that all Lebanese will unite under the pattern of the present government formed under the motto of national reconciliation."

The president welcomed the initiative of the Lebanese Communist Party which called for a universal conference on national reconciliation. This is a patriotic call prompted by a realistic view of the country's future, the president said.

Summing up transformations taking place in the USSR Al-Hrawi made assurances that the Lebanese people supports everything that Soviet people guided by their leaders wish to achieve. The Lebanese people wish them success. The president welcomed the increased openness with which the USSR acts on the international arena.

above all, in the area of diplomacy. He confirmed his wish to promote the development of lebanese-Soviet relations.

Cairo Meeting Marks Aswan Dam Anniversary

PM2401143191 Moscow PRAVDA in Russian 21 Jan 91 Second Edition p 5

[Report by unidentified correspondent: "The 'Fourth Pyramid'"]

[Text] A noteworthy date has been commemorated in Egypt—the 20th anniversary of the completion of the Aswan hydroelectric complex. The association of Aswan High Dam construction workers organized in Cairo a meeting of people who worked on the construction of the "fourth pyramid," as the EGYPTIAN GAZETTE called the dam, thus comparing it with the great pyramids of Cheops, Chephren, and Mycerinus. Egyptian Electricity and Energy Minister M. Abazah and USSR Ambassador V.P. Polyakov took part in the meeting.

The Aswan High Dam has been giving Egyptians faultless service. Its main task is to regulate the flow of the Nile, on which virtually all Egyptian agriculture depends. The dam has already saved the country from drought eight times and from flooding twice. It is coming to the Egyptians' rescue once again this year. The Nile floodwaters were less than average. Neighboring Sudan is afflicted by drought. UN experts estimate that tens of thousands of people will starve to death there. But in Egypt the water shortage is being made up by Lake Nasser—the Aswan reservoir.

Fishing Agreement Signed With Morocco

LD1001204991 Moscow TASS in English 1128 GMT 10 Jan 91

[By TASS correspondents Valeriy Ostylev and Oleg Shirokov]

[Text] Rabat January 10 TASS—A Soviet-Morrocan agreement on fishing cooperation was signed in Rabat by Soviet Minister of Fisheries Nikolay Kotlyar and Moroccan Minister of Maritime Fishing and the Merchant Navy Bensalem Smili.

The agreement provides the basis for the rational use of world ocean natural resources to the two countries' mutual benefit.

The document is a legal basis for the operation of the Soviet fishing fleet, Kotlyar told TASS.

It outlines new ways of cooperation, including Soviet-Moroccan fishing and processing ventures, joint research to determine fish resources and, most importantly, to preserve and use these resources rationally.

The document also provides for training Moroccan personnel. The agreement is mutually advantageous, the minister stressed.

Speaking at the signatory ceremony, Smili expressed satisfaction with the growing business relations between Morocco and the Soviet Union.

Switch to Dollar May Hamper Trade With India

PM1001094991 Moscow IZVESTIYA in Russian 8 Jan 91 Union Edition p 5

[Report by N. Paklin: "How We Are To Trade With India. 'Pros' and 'Cons' of Giving Up Clearing"]

[Text] Delhi—Our trade with foreign countries is increasingly resolutely being transferred to a dollar basis. This applies not only to the East European countries, with which until recently we settled our accounts on a clearing basis, but also to the developing states. Evidently it is believed that because of this we will have more dollars, demand for which is growing in proportion to the swift depreciation of our ruble.

What is to happen with India? So far we have traded with this enormous country on the basis of rupees. This means that all accounts are settled in Indian rupees. The rupee is a closed unconvertible currency like our ruble.

A few days ago Indian newspapers published an analysis of this problem. It was carried out by a reputable organization, the Federation of Indian Chambers of Commerce and Industry. The Indian experts reached the following conclusion: If the rupee basis for Indian-Soviet trade is not continued because of changes in the Soviet Union, then there will be a reduction of 35-40 percent in bilateral trade turnover since India and the Soviet Union have a shortage of hard currency. In their opinion, which goods will India supply to our country in significantly smaller quantities than now? Primarily various kinds of medicines and chemical preparations, machine-building and electronic goods (in particular we buy a large number of South Korean-made color television tubes in India for rupees, for which we would otherwise have to pay in hard currency), coffee, and a number of other items. This group of goods makes up 47 percent of Indian export.

Switching to the dollar will practically not affect Indian export goods such as leather articles, vegetable oils, tobacco, spices, cotton, jute articles, and so on. Clearly, in reducing its exports to our country, India will also be forced to decrease its imports. In brief, the development of trade between our countries will come to a standstill and we will receive from India fewer of the goods we need, goods for which we pay today by supplying our own goods at world prices. There is no certainty that we will manage to find a full replacement for the large Indian market, for instance, with regard to our machine-building articles, which account for an unusually high proportion of Soviet exports to India—35 percent.

Of course, the example of certain East European countries can be cited in justification of a switch to the dollar in Soviet-Indian trade. One of the latest of these to reach agreement with India on switching to dollar settlements

was Poland. The volume of these countries' trade with India does not compare with Soviet-Indian trade, however. Thus while annual trade between Poland and India is eight billion rupees, the volume of Soviet-Indian trade is

Experts from the Federation of Indian Chambers of Commerce and Industry believe that if the rupee is retained for mutual settlements, the volume of trade turnover between India and our country will be 550 billion rupees by the end of the current millennium, that is, it will increase almost sevenfold compared with the current level. (It trebled in the last 10 years.)

In assessing the "pros" and "cons" of switching to the dollar in Soviet-Indian trade, we must realize that, however much we may want to, we will not do dollar business with India. The country has a chronic deficit in hard currency trade and a large external debt (it is now $69 billion). It is hard to expect that in such conditions India will increase its purchases for hard currency from our country. Incidentally, there are also people in India who are fighting for a switch to the dollar in trade with us. One of their arguments is that in recent years India has allegedly been trading with us at a loss. As far as the Indian Government is concerned, relying on specialists' calculations, it will continue to support the preservation of the rupee as the basis for Indian-Soviet trade.

Soviets to Launch Two Indian Satellites

PM2301090191 Moscow IZVESTIYA in Russian 21 Jan 91 Union Edition p 1

[Report under IZVESTIYA, POSTFAKTUM, TASS, REUTER, INTERFAX roundup: "Launch of Commercial Satellites in Preparation"]

[Text] A Soviet-Indian agreement to launch two Indian satellites in the next three years was signed at the USSR Glavkosmos [Main Administration for the Creation and Utilization of Space Technology] 18 January.

Let us recall that contracts were signed earlier at the USSR Glavkosmos for flights by a British and Austrian cosmonaut in 1991 and a French, German, and possibly U.S. cosmonaut in 1992, IZVESTIYA correspondent S. Leskov reports.

The $14 million earned from the short, eight-day flight by the Japanese cosmonaut will, when sold off at auction, make it possible to cover all the expenditure on manned space flight for an entire year.

Moscow Views Improvements in Sino-Indian Ties

BK1202145991 Moscow in Hindi to India 1200 GMT 12 Feb 91

[Report by Georgiy Kirichattiy from Delhi]

[Text] Sino-Indian economic relations are expanding. A protocol to this effect was signed during Indian Commerce Minister Subramaniam Swamy's visit to China. The Indian minister attended the meeting of the Joint Economic Group on trade, scientific, and technical ties. The Indian minister is of the view that trade between India and China could reach the level of one billion dollars annually within three to four years. But to achieve this level, experts believe that new items would have to be added in two-way trade. Many more investments are needed for joint ventures in the light industry, electronics, chemicals, and machine-building sectors. The trade protocol for 1991-92 signed in Beijing covers such new areas in trade ties.

Indian newspapers say that the decision to resume border trade will help expand trade. Transit points for border trade have also been fixed. The Joint Economic Group meeting took decisions on technology transfer and joint ventures, especially in the fields of metallurgy, oil, chemical industry, and power industry. Delegations of scientists and experts will be exchanged.

All this shows that India and China also want to expand mutually beneficial cooperation in the diplomatic field. Indian External Affairs Minister Vidya Charan Shukla's visit to China is one example of this desire. Sino-Indian relations are continuously developing. The two countries decided to restablish their relations on the basis of the Five Principles of Peaceful Coexistence and further normalize and develop them during former Indian prime minister, Rajiv Gandhi's, visit to China in December 1988. This decision is of significance not only for these two countries, but for the entire world. This is particularly so in view of the present situation in the Gulf.

Sri Lankan LTTE Cease-Fire Viewed

BK0501132691 Moscow International Service in Tamil 1400 GMT 4 Jan 91

[Yegor Demichev commentary]

[Text] It is known that in Sri Lanka, the Liberation Tigers of Tamil Eelam [LTTE] have announced a cease-fire in their fight against government troops. Our commentator Yegor Demichev writes:

The LTTE is fighting for setting up an independent state of Tamil Eelam in northeast Sri Lanka. Only the northeastern region has become a battleground for the LTTE militants and the government troops. As per preliminary assessments, several thousands of Sinhalese and Tamils were killed in the ethnic conflict that has continued for the past seven years. The Sri Lankan economy has suffered a major setback.

Government observers point out that several Sri Lankan Tamils were duped by the LTTE organization. The LTTE did not fulfill any of its pledges. This is quite natural. It is impossible to solve by violence such serious problems as unemployment, inflation, and loss of production in the north. The LTTE finds it very difficult to increase the number of its cadres. Perhaps this is one of the reasons why the LTTE was forced to announce a unilateral cease-fire.

It should be noted that the Sri Lankan Government has made several efforts to solve the ethnic problem. President Premadasa on several occasions invited the LTTE to eschew violence and begin neogitiations. India's steps were also helpful in this direction. In 1987, India and Sri Lanka signed an agreement aimed at solving the ethnic conflict in Sri Lanka. According to this agreement, the Indian Peacekeeping Force [IPKF] was deployed in Sri Lanka. It took part in the operations against the LTTE militants.

India has been unrelenting in its efforts to persuade the LTTE leaders to begin negotiations during the IPKF presence and after its return home as well. Hence, there is no surprise that India immediately welcomed the LTTE's cease-fire announcement. The Indian External Affairs Ministry spokesman announced that Delhi welcomes the cessation of hostilities in Sri Lanka. It is expected that the latest situation in Sri Lanka will be discussed during the visit by Vidya Charan Shukla, Indian external affairs minister, to Colombo this month.

Reviewing the LTTE's cease-fire announcement, political observers say that it is a step toward normalizing the situation. At the same time, there is also another view that the LTTE's step is nothing but a ploy.

Sub-Saharan Africa

Commentaries View De Klerk's Parliament Address

Apartheid Abolishment Debated

MB1002141691 Moscow in Afrikaans to Southern Africa
1830 GMT 8 Feb 91

[Aleksandr Fedorov commentary]

[Text] The echoes of F. W. de Klerk's speech at the opening of Parliament and the resultant debates will resound for a long time, and will continue to be heard until the day when the great plans to end the apartheid system are realized. When that will be, even the experts at Stellenbosch University do not know.

While the opponents of reform may have been no more than observers up until now, they are now determined to take action. The president's most difficult task will undoubtedly be the repeal of the Land Act. During President De Klerk's speech, Conservative Party members brought all their former objections to the fore, and the number of their supporters has increased significantly.

One could say that it is easier to announce the repeal of the act. It may be that among black land owners one may emerge as a stereotypical rich man. But what about the rest of the blacks? They will not have the money to follow in his footsteps, and the whites will not give up their land. Parliament has not yet announced any clear measures in this regard. The same applies to the other laws which have to be repealed.

The racial hatred which spread like rust over the past decades skimmed off the country's economic, political, and moral fiber. One only has to look at all that has taken place since the government's earlier steps to ease the plight of the black population, to be convinced that things will not go smoothly.

But what else can happen, asks Aleksandr Fedorov. It is in the government's interests that it go on the offensive and not allow the far-right forces the chance to consolidate themselves further. But to achieve this the government's determination is inadequate. Mutual understanding is needed from the ANC [African National Congress] and other progressive parties in South Africa. If the planned multiparty conference takes place and mutual understanding is reached on the need for dialogue, this will speed up the repeal of one of the remaining apartheid laws.

In this case rightwingers will be deprived of the support of quarreling black political factions, on which they have so far been able to count. If common ground can be found on the constitutional problem it would provide a reasonable argument against the proponents of apartheid.

I will not try to judge to what measure the South African Government and its president are familiar with reality but, as is known, events are developing dialectically. The negative reaction of the rightwing to the repeal of the three key apartheid laws will lead to a reassessment of South Africa in the eyes of the world, writes Aleksandr Fedorov.

Those who yesterday were still divided about the lifting of sanctions against the country are now entirely in favor of it. The tone of African leaders has also changed in many aspects. Recently Zambian President Mr. Kenneth Kaunda, chairman of Frontline States, said President de Klerk's initiatives inspire hope. The Special Committee of the Organization of African Unity also declared that President de Klerk's address was evidence of his good intentions, but that mere intentions are not enough, and that is why the committee decided to maintain economic sanctions.

This position can be explained by the mixed reaction which the government's steps received in South Africa itself, and the many problems which still need to be solved. I think, says Aleksandr Fedorov, that these diverse attitudes towards the changes in South Africa will remain until these intentions are replaced by actions.

At the same time, it is highly unlikely that the black community will end their mass protest actions, which are condemned by the government. One can explain everything in political terms and logic but there is also the theory of the human factor. In South Africa there has

been a long wait for reforms, and now that it is beginning, now that a better future is promised for all, people want it to happen as soon as possible.

Victory for Anti-Racist Groups

LD0102231391 Moscow World Service in English 1810 GMT 1 Feb 91

[Vladislav Chernukha commentary]

[Text] As the legislature of South Africa has gone into session in Cape Town President De Klerk has made a far reaching statement. Radio Moscow's Vladislav Chernukha elaborates and this is what he writes.

The statement, no doubt, is of great importance. President De Klerk announced moves to clear the way for a democratic and non racial state. He suggested that legislature abolish the principal laws of apartheid, laws that confined the African majority to reservations and townships at industrial centers, laws that have given the whites, who account for a mere one sixth of the population, 87 percent of the national territory; and finally, the backbone of apartheid, a law on registration which is a nationwide racial file. So the key racial laws are to be abolished.

International news agencies say it is a mere formality for legislature to approve the presidential proposals. True action on these proposals will take some time but the main thing is apartheid has absorbed a lethal blow. Anti-racist organizations have had their demands met to rid the nation of a system that has doomed 80 percent of the population to discrimination of all sorts, lawlessness, and humiliation.

These changes for the better in South Africa are a victory for the African National Congress [ANC] other anti-racist organizations, and trade unions. They are also the result of pressure, primarily the economic sanctions that the international community applied towards Pretoria. What is next? Anti-racist organizations have for months been pressing President De Klerk into dissolving a legislature that does not represent the black majority and holding and instituting an Assembly. The same demands have just been made at meetings, strikes and demonstrations across South Africa.

The instituting Assembly must outline a democratic constitution. President De Klerk welcomes a constitution of this kind but he rejects calls for the assembly and for a provisional government for the transition period. At the same time he has accepted an ANC proposal to call a conference of all political parties to discuss a new constitution. Let us hope agreement will be reached at the Assembly, too. The sooner this is done the better for the South African situation.

Many Questions Remain Unanswered

MB0602151691 Moscow in Afrikaans to Southern Africa 1830 GMT 5 Feb 91

[Vladimir Valentinov commentary]

[Text] The opening of parliament address by South African President F.W. de Klerk is still being widely discussed in southern Africa as well as the rest of the world. Our correspondent Vladimir Valentinov comments:

The president's opening speech in parliament has provided answers to several questions but many are still being asked. As expected, several laws forming the backbone of apartheid are to be repealed. There are three of these; the Group Areas Act, the Land Ownership Act and the Population Registration Act. We were assured once again that President De Klerk plans to fulfill all his democratic promises. Equally decisive factors such as large scale negotiations, a general election, the creation of an interim government, and finally, the creation of a new democratic constitution are just as important. Unfortunately, it is all being set for an undetermined time, maybe even five years, as President De Klerk's unpopular reform program has indicated earlier.

On the whole the democratic forces in the country have stated their approval of the reform measures but their applause has not been loud enough. They expect more and also expect these changes to take place over a shorter period. On the other hand, the negative reaction from the supporters of apartheid has been followed by certain promises made by the minister of constitutional development, Mr. Gerrit Viljoen. At a news conference in Cape Town he declared that Mr. de Klerk's intentions to scrap the Population Registration Act does not mean that the existing system, under which various groups vote separately, will automatically fall away. According to him equal political rights will only be possible when a new constitution has been negotiated. At the moment however, a new constitution has not been negotiated. In his comment on the president's proposal to repeal the law on land ownership, Viljoen assured the white population that it would not lead to forced distribution of land. He added that the government still rejects the ANC's [African National Congress] demand for a general election and the installation of an interim government.

Vladimir Valentinov writes: I do not know if this is the personal opinion of the minister or the actual stand of the majority of ministers in the government, but one thing is evident, no matter how good their intentions are, they are futile unless his opponents are allowed to participate in the process. The international community's reaction to De Klerk's announcements is also ambiguous. The proposals were bound to attract sympathy and the same goes for the undoubted bravery of the president. He is heading for confrontation with the conservative and far right elements of the country and

their position is fairly powerful. Nevertheless, the majority of African states view De Klerk's measures as insufficient. The South African President should however, get the praise he deserves. One of his objectives is in the process of being achieved. The leaders will lift the ban on new capital investments and will lift the other sanctions as soon as other discriminatory laws are repealed, the Group Areas Act and the Land Ownership Act. Will they really be lifted?

The influential newspaper, the FINANCIAL TIMES, make the harsh prediction that sanctions will not be lifted. Vladimir Valentinov arrives at the following conclusion: South Africa needs a series of democratic reforms that will allow the country to rid itself of apartheid. The French newspaper, LE MONDE, writes that negotiations are important to begin this process. After the recent meeting between Nelson Mandela and Mangosuthu Buthelezi, negotiations have become a reality. Important issues to be discussed are: the question of a general election; the creation of an interim government; and, the drafting of a new constitution. This cannot be done overnight, nor should it take several years.

The last of this difficult task rests on the shoulders of the representatives of all political groups.

Debate Over Economic Sanctions in RSA Continues

MB1002143891 Moscow in Afrikaans to Southern Africa
1830 GMT 8 Feb 91

[Aleksey (Shenpyen) commentary]

[Text] During the recently ended session of the Organization of African Unity's [OAU] Special Committee on Southern Africa it was decided to call on the international community to maintain sanctions against South Africa. Aleksey (Shenpyen) comments.

The Special Committee session was preceded by a meeting of Frontline State leaders, whose recommendations were handed over to the OAU for discussion. The recommendations essentially boiled down to the need to maintain sanctions against South Africa. The Frontline States' leaders judged the reforms taking place in South Africa and the measures taken by President de Klerk as positive. According to them, the dismantling of apartheid is not yet irreversible, and it is too soon to talk about the lifting of sanctions.

OAU Chairman Mr. Yoweri Museveni expressed the same view at the special committee's session. He emphasized that African countries are prepared to go ahead with the economic pressure against South Africa in order to speed up the dismantling of apartheid. Very few people expected a different resolution. Few doubted that the resolution would be based on the decision of the Frontline States, who have for so long been under the direct influence of events in South Africa.

The OAU decision is in contrast with the intentions of the European Community and the United States. As is known, the EC has declared that it will lift the ban on the importation of South African iron, steel, and gold coins as soon as the South African Parliament approves President F.W. de Klerk's proposals on the abolition of the three key apartheid laws.

Museveni even stated that the OAU would send a delegation to the EC to try to persuade them to reconsider their decision. The United States is also prepared to lift the ban on trade with South Africa if De Klerk's present steps are followed by the release of all political prisoners and conditions are created for the return of political exiles.

It is my opinion, writes Aleksey (Shenpyen), that too much attention is being paid to sanctions. The South African foreign minister has often said it is not too difficult for his country to circumvent sanctions, and that the government is not too worried about them. Pik Botha is not far wrong.

It appears to me, therefore, that the most important step towards ending apartheid is the creation of a united front of all antiracist groups in South Africa.

Situation in South Africa, Future Examined

91UF0333A Moscow ARGUMENTY I FAKTY in Russian No 2, Jan 91 pp 4-5

[Report by correspondent Yu. Sigov: "Who Lives Well in South Africa"]

[Text] South Africa [RSA] has been a mystery country for a long time for the Soviet individual. "Racist regime," "prison of the peoples"—what epithets have not been bestowed on the Republic of South Africa in our mass media. Yet a vast state in the south of Africa occupying 24th place in the world in terms of size of GNP lives a normal life that outwardly at least, is not that much different from the life of Western countries.

Apartheid in Retreat

The apartheid system, criminal in its ideology and essentially inefficient, brought whites in South Africa dividends only in the 1960's. Subsequently, however, the country's division into the white "powers that be" and the blacks' "cheap manpower" led to social conflicts and a sharp growth of tension in the country.

Sober-minded people headed by President F. de Klerk, who recognized that continuation of the racial policy in respect of 30 million Africans and people of Asian extraction could lead to civil war, came to lead South Africa toward the end of the 1980's.

In accordance with a decision of the country's new leaders, all signboards with the "Whites Only" inscription have now been taken down in South Africa. Blacks also are now admitted to the splendid beaches of Capetown, and a young white man and a young black girl may

quite informally be encountered walking arm in arm on the streets of Johannesburg (although quite recently a "nonwhite" woman could be sentenced to seven years imprisonment merely for kissing a white person). Nonetheless, there remains a gulf between whites and blacks in South Africa in the education sphere.

Having created a system whereby some have primordially had unlimited access to knowledge, and others are by the age of 30 barely able to read, the South African authorities have now been forced to urgently rectify the situation. It is proposed inviting skilled manpower from overseas, primarily from Europe. But these people would come to South Africa only for the "quick rand" and would, in the event of instability in the country, leave it at once. For this reason the F. de Klerk government is inclined to the view that it is necessary, for all that, to teach black Africans, although this will take a long time and require large expenditure.

Big, Big Secret

Despite the continuing international sanctions, South Africa is a country that is prospering against the background of its neighbors. One has the impression that the more severe its isolation in the world, the better it is for South Africa itself. For many years the republic incurred, of course, many losses from the boycott, but was forced here to engage in all technical, industrial and scientific efforts on its own. The result: the world's first heart-transplant operation was performed here, nuclear weapons have already been manufactured, according to some information (this is officially denied), and the world's best techniques for the mining of gold, diamonds and other minerals have been developed.

Although only 10 percent of the territory of South Africa is fit for agricultural work, the country is fully self-sufficient in food products and even exports them. Occupying just four percent of the territory of Africa, South Africa accounts for 40 percent of industrial production and 70 percent of the electric power, 50 percent of the motor vehicles, and 85 percent of the television receivers produced on the continent.

But South Africa's biggest secret, perhaps, is the sources of oil supplies. Its own deposits do not even cover 10 percent of domestic requirements, but South Africa has here the biggest fleet of motor vehicles in Africa, and aircraft of the local SAA airline make 12-hour nonstop flights from Johannesburg to London. How does oil get to the country? Mainly third- and even fourth-hand and via dummy firms and companies.

How the Whites and Blacks Live

"Only the whites can live well in our country," this is what we would be told in South Africa by any black or colored, regardless of social position and material sufficiency. He would, in his own way, be right. Luxury villas, swimming pools, sports clubs, local and foreign bank accounts—blacks may theoretically have all these also. But in practice, only whites. The white in South Africa works far less here, for example, than his North American colleague, but, thanks to the cheap labor of the blacks, has far more.

"What is the point of working flat-out?" South Africa's whites say. "Even without exerting ourselves we have absolutely everything and, in addition, provide the blacks with a living standard that the indigenous inhabitants of other African countries cannot even dream of. So it is a good life in South Africa, not only for the whites but for the blacks also." Nonetheless, the blacks in South Africa are unhappy with their life. Why?

Blacks in South Africa, like the whites also, live variously. There are wealthy blacks who own restaurants, golf clubs and workshops. Although the living standard of the bulk of blacks and also coloreds in South Africa is, indeed, higher than in other African countries, against the background of the opulence of the whites they live in poverty. Shacks put together from corrugated iron and cardboard, in which 8-10 persons live, may be encountered in the "black" suburbs of Capetown and Johannesburg. These dwellings are heated by coal, and for this reason the whole territory of such a community is covered in winter in a suffocating pall of smog. The main problem is that not isolated individuals but millions of "nonwhite" citizens of South Africa live under these conditions.

The whites now believe that it is necessary to teach the blacks some things and afford them an opportunity to take part in public life, but under no circumstances admit them to real power. The blacks, in turn, think that the time has finally come to put the squeeze on the whites, deprive them of their former privileges and begin to run the country their way.

They Are the Same as Us

It is said that Soviet people have most in common in character with Americans. But, in my opinion, our country, with its present problems, is very similar to South Africa. In Pretoria blacks are not given residence permits without special authorization, in Moscow, whites, and neither they nor we know what tomorrow will bring. F. de Klerk has begun his "perestroyka" in his country subjected for this to the attacks of both right and left. Like the USSR, South Africa is endeavoring with might and main to break onto the world market, only, as distinct from us, it has something to offer foreign customers.

One senses constantly in South Africa that the Soviet Union is somewhere nearby. T-shirts with the inscriptions in Russian "Come to Moscow," which are popular among tourists, are on sale in Johannesburg at the famous "Free Market." The national flag of the USSR may be purchased here. Tourist brochures inviting people to visit "the land of big surprises"—Russia—have appeared in South Africa also.

As is known, South Africa supplied the USSR with medicines and equipment for the areas that suffered

from the Chernobyl accident. Now the RSA has agreed to finance the construction of 2,000 homes in this region. As soon as this plan was made public in the press, however, an official spokesman for the African National Congress delivered a sharp protest, rightly noting that in South Africa itself there are seven million homeless and that it was necessary to first provide its own citizens with at least elementary accommodations.

...Meanwhile our compatriots may be encountered in South Africa increasingly often. In 1990, six former citizens of the USSR acquired citizenship of this country. South Africa has been visited by representatives of business circles from our country, journalists and private individuals.

I believe that it is human contacts that might today unite our two countries. After all, inhabitants of South Africa—blacks, whites, coloreds—are the same as us. Following the lifting of international sanctions, the USSR and South Africa could perfectly well restore normal interstate relations.

Envoy to Somalia Interviewed on Internal Situation

EA1901102791 Moscow International Service in Amharic 1500 GMT 16 Jan 91

[Excerpts] Very recently, the USSR Embassy staff in Somalia left Mogadishu and arrived in Moscow. Our reporter has interviewed (Vladimir Kashnev), the USSR ambassador to Somalia. The ambassador said the following about the conflict in Somalia:

[Begin (Kashnev) recording in Russian fading into Amharic translation] The situation has worsened considerably since last December. Before then, the Somali police had disarmed the residents of the northwestern part of Mogadishu. During that operation, there was strong opposition and as a result, there was an exchange of fire and the situation worsened. After that incident, the situation started to change quickly and worsened. On 30 and 31 December, the government began using heavy artillery. On 1 January, the fighting cooled down slightly, but since the 3 January, the conflict has been burning with fresh force. [end recording]

What then is keeping the conflict going? In reply, the ambassador said:

[Begin (Kashnev) recording] In my opinion, the reason for the continuing conflict is that there is a clear defensive line between the opposition group and the government. But since 3 January, the conflict has divided along clear tribal lines. Today it is impossible to stop the situation or to control it completely. [end recording]

Was there any attempt by the opposition group to sneak into the USSR Embassy?

[Begin (Kashnev) recording] Yes, there was such an attempt. I can recall that three times, a gang of people sneaked into the embassy compound to steal vehicles, and thus the political immunity of our embassy was violated. There is no foreign embassy that has not encountered such problems. Without exception, this is the first time in the history of diplomacy that international law has been thus violated. [end recording]

The ambassador continued that these are not only my personal views. Even people I have talked to have the same opinion. Two hundred eighty one European, Asian, and American government diplomats, from Muslim and Christian governments, have left Mogadishu in unison.

According to the Somali saying, my clan opposes the enemy, my family opposes the clan, I and my brother oppose our family, and I oppose my brother. So, according to the saying, have you found that the situation in Somalia reflects this saying? When answering the question, the ambassador said:

[Begin (Kashnev) recording] Yes, it is true that Somalis are nationalist and individualistic, and they are always ready to defend their freedom up to the end. [end recording]

During your almost two-year stay in the country as the USSR ambassador, during your time in office, what has been done to improve relations between Somalia and the USSR? When answering the question the ambassador said:

[Begin (Kashnev) recording] During these two years, the two countries have managed to map out strategies that will enable them to improve their relations, and we have reached the stage where Somali-USSR relations must be under no presure from the fluctuating relations between the two superpowers. We have also renewed relations between the two sisterly countries. [passage omitted] [end recording]

What is the USSR's position in the current situation?

[Begin (Kashev) recording] Since this is Somalia's internal conflict, the USSR has no intention of interfering. Since the situation was going from bad to worse and the security of foreign diplomats was endangered, we were forced to leave Somalia and return to our motherland. When the situation calms down, I am ready to go back to the country, if I get permission. [end recording]

Borisov Commentaries Assess Jan-Feb Somali Fighting

Opposition Groups Divided

EA2601213891 Moscow International Service in Amharic 1500 GMT 25 Jan 91

[Vladimir Borisov commentary]

[Text] The only thing which brings the Somali opposition groups into unison is their name, otherwise they have differences. Every group represents its clan and controls some part of the country. Every clan has political and economic differences with its neighboring areas,

and this is the main cause of the Somali people's present holocaust and confusion. The only thing which the opposition groups have in common is a common enemy: President Siad Barre.

The president has been in power for the last 20 years, exercising totalitarian rule. The president used the differences between the clans as a policy to rule the country, and sometimes he used the divide and rule policy to widen the contradictions between the clans. Today, after fighting the divided groups for almost 10 years, he is surrounded in his own capital city and forced to witness the unity of the opposition groups. The situation of Barre and his future will not be decided by the unity of the opposition groups, but the unity does exert some pressure on Somali politics.

Though the democratic nationalist fronts have a common enemy, they do not have the same aims through which to reach their goals because the clans differ on who will control the country. Although many of the clans had been fighting the regime for years, they were unable to present a national program which could unite the clans. It is also clear that the founders of the Somalia Salvation Committee cannot map out this program so quickly. Today there is one question which is most striking: Who will be the new head of state and what will be the composition of the cabinet? People are trying to answer this question.

There is suspicion around the unity of the five groups because the strong opposition group, the Somali National Movement [SNM], has not joined the five opposition groups. The SNM, which is operating in northern Somalia representing the Isaaq clan, is making efforts to take the leading role in the struggle. On the other side, the United Somali Congress, which is fighting within the capital city, is trying to exploit the victories achieved so far.

The other thing which must be noted is the acceptance by the famous civil activist, Omar Arteh Ghalib, to lead the new cabinet. It can be recalled that three years ago this bold man was sentenced to death by President Siad Barre and today, putting aside the criticism of his clansmen, Ghalib is putting all his efforts into solving the current bloody conflict, to solving it peacefuly rather than militarily, because he has understood the consequences of the war, which will destroy all Mogadishu and result in the disappearance of its people. It is very important that the opposition groups should unite so that the government and the opposition reach an agreement. It is also better for the various clans to use this chance to unite.

President's Fate Unknown

EA0302104191 Moscow International Service in Amharic 1500 GMT 31 Jan 91

[Vladimir Borisov commentary]

[Text] A statement issued yesterday in London by the leaders of the three principal opposition groups of Somalia disapproved of appointing Ali Mahdi Mohamed as acting Somali president. From the beginning it was known and expected that the Somali National Movement [SNM] and the Somali Patriotic Movement [SPM] would oppose the unexpected and abrupt decision of the United Somali Congress [USC]. What was unexpected was the disapproval of the London-based USC representatives. Now understanding and cooperation are very important for Somalia, but these do not exist within one organization let alone among the different opposition groups. According to USC Spokesman Ali Hassan Hussein, the disapproval of appointing the new acting president comes from members of the USC so the appointment of the 52 year-old businessman from the Hawiye clan is precarious.

Representatives of the three main Somali organizations gave a warning in London that if it is deemed necessary they will attack. Many observers had assumed that it would be difficult for the Somali people to understand each other since the well armed groups are made up of different clans. In fact, according to some observers, this will be the start of a civil war in Somalia. In any case, desperation is useless

Ali Mahdi Mohamed's appointment as acting president of the country without consultation will not affect the beginning of dialogue among the opposition groups. According to Ali Mahdi Mohamed, his appointing a new prime minister was also necessary. Previously Omar Arish Ghalib had been prime minister under Siad, and now he has secured the post.

These are all steps which are giving important posts to distinguished nationals and politicians to assist them in bringing peace and in working together to bring peace. Peace must prevail and reconciliation must be achieved. This is important, and it is the sole path. Therefore, the fear of the opposition groups who oppose the appointment of the new president is clear. Their wish is that the president not be out of step in his leadership. So far, power distribution has not reached those in London or Rome. Everything has been given to the bold and to those who are in the vanguard around and inside the destroyed city of Mogadishu.

Siad Barre's fate is unknown, and it is still unknown how he managed to flee. In fact, it is a mere lie that the president is on the Isle of Lamu in Kenya. It has been learned that the president is still in Somalia in his own area where his clan, the Marehan, live in Garbahaarrey. In fact, he is safe among his own clan. His only achievement during his time was to divide the people. Hence, even for the time being, he has secured a place to hide.

Antagonism Among Somali Fronts Seen

EA1102213391 Moscow International Service in Somali 1600 GMT 8 Feb 91

[Vladimir Borisov commentary]

[Text] It is a week since the formation of the interim government in Somalia. It announced that its greatest obligation was to find ways and means of bringing about peace and national unity in the country. It is not clear, however, what the relations between the biggest fronts that defeated the regime of President Mohamed Siad Barre are. Our commentator Vladimir Borisov, commenting on the matter, said that the question of whether the new interim government will have the power to ensure the unity of the people and country of Somalia is the most important and most worrying. It is clear today that the civil war waged by at least seven armed fronts against President Siad Barre has not ended with the collapse of that regime. While the guerrillas of the United Somali Congress [USC] celebrated in devastated and ruined Mogadishu, the leaders of the other fronts immediately expressed their objection to the first steps taken by the new government. These fronts cannot yet accept the appointment of Mr. Ali Mahdi Mohamed, the new president, by the USC, and the way the new government was named.

After Omar Arteh Ghalib, the famous politican, distributed the new government posts and presented them to the public, with special respect for the USC and the Somali National Movement [SNM], it was to be expected that the Somali Patriotic Movement would get angry at the composition of the new government. Nevertheless the biggest problem is now posed by the SNM, which together with some of the other fronts' external leaderships, denounced the quick appointment of the president as a violation of previous agreements. The SNM has its own special policy. Likewise, said our commentator, another worry is the position of the SNM leadership who announced that they would install their administration in the north.

As the SNM implements this, we received reports saying that the SNM is now looking at ways of putting the whole of the north under its hold, through military means. The dangerous situation in the country is clear to everyone. It can be said that there are two great conflicts now. First, the conflict and misunderstanding among the fronts, and then the struggle between the nontribal civilian opposition and the leaders of the armed fronts. Nonetheless, the essence of the conflict is the danger weakening and hanging over the Somali nation.

Struggle for Power Continues

EA1302192291 Moscow International Service in Somali 1600 GMT 11 Feb 91

[Vladimir Borisov commentary]

[Text] The first fighting has broken out between two of the fronts that toppled the government of President Mohamed Siad Barre. Our commentator, Vladimir Borisov, says that four hours of fighting in Afgooye between the fronts of the Somali Patriotic Movement [SPM] and the United Somali Congress [USC] resulted in the town falling into the hands of the USC. This fighting, however, confirmed the biggest worry about the situation in Somalia. The civil war, which started in the early 80's, has not ended with the collapse of the Siad Barre administration. It has now reached a new stage of a further struggle, for power. Unfortunately, the fronts, which number at least seven, have a tribal basis and view the political and economic life in Somalia, or that which will be established, through the eyes of their clan's interests.

The SPM and USC confronted each other at Afgooye, a strategic town near the capital city. Now Afgooye, like the capital city of Somalia, Mogadishu, is in the hands of the USC. Therefore, will the SPM fight in the central regions or withdraw to the lower south, where it has support? While the new interim government in Somalia strives to hold a conference of national reconciliation on 28 February in Mogadishu, the fronts are directly involved in a struggle to seize power in the country. The SPM was not satisfied, as expected, with the composition of the new government, or even with the new president, Mr. Ali Mahdi Mohamed. Similarly, this front was dissatisfied with the attempts of some politicians to base the new administration of Somalia on an alliance between the Hawiye and Isaaq clans.

Such feelings force the SPM to search for other clans with which to forge a political alliance. This means that the SPM may up to an extent ally itself, however surprising this may be, with the former president, Siad Barre.

A USC spokesman pointed out that soldiers still loyal to the former president participated in the fighting in Afgooye. Those who support Siad Barre said indirectly that they have an agreement with SPM, and that the substance of the agreement will be disclosed in the future. Although Siad Barre's claims that his loyalist troops amount to several thousand soldiers can be doubted, it is still possible that there is an element of truth to the talk of an alliance between him and the SPM. This [word indistinct] is of the ideology and tribalistic policies of the fronts. Siad Barre himself announced that from now on, he does not desire the post of president of the country, but today, his only wish before his retirement from politics altogether is to mediate between Somalis. The reports add that he is now striving to hold peace talks with all those who opposed him.

Nevertheless, Siad Barre himself is now a military and political force, participating in the wars in which Somali brothers are, unfortunately, annihilating one another.

Somali 'Dictator' Criticized, 'New Chapter' Seen

EA3101121291 Moscow International Service in Amharic 1500 GMT 28 Jan 91

[Commentary by Aleksandr Mickhaylov from the "A Few Out of Many" program]

[Text] The Somali guerrilla fighters are in total control of the country's capital, Mogadishu. The country's President, Mohamed Siad Barre, has run away. Our political observer, Alerksandr Mikhaylov, has filed the following commentary on the matter:

The 80-year-old, sick old man has fled the country in a tank. It is not yet known where he has gone, says our commentator.

Mohamed Siad Barre, a staunch dictator, ruled the country for 21 years. When he came to power, he promised that the bloodless coup he had carried out would enable him to lead Somalia to peace and prosperity. It will be recalled that toward the end of the seventies, he waged an expansionist war against Ethiopia and other neighboring countries to realize the ambition of a greater Somalia. That adventurist policy was aborted and resulted in Siad Barre's defeat. This failure not only raised the first opposition from the people, but further gave way to the first harsh actions against the people by the regime.

Now, the dictatorial Siad Barre regime has gone and Somalia is about to embark on a new chapter in her history. The United Somali Congress [USC] guerrillas, who control Mogadishu, have indicated that they intend to form a transitional government in which the two other main opposition fronts will take part. It has also been stated that the duty of the transitional government will be to hold a referendum on the future Somali constitution and political system as well to hold general elections based on the outcome of the referendum. It has also been indicated that a market economy should be encouraged and human rights respected in the country.

We have not received any additional information on the new Somali authorities and their program of action. In general, the country has complex and complicated issues to tackle. Economically, Somalia is financially bankrupt. Since the country has a huge external debt, it is doubtful whether she can get new loans. Most of her industrial structures have been destroyed and the agricultural sector is a failure. But the main problem inherited from Siad Barre is the division of the country on an antagonistic tribal basis. On the side of the three main opposition groups, there are numerous tribalist armed groups. Although these groups have no political ambitions, they have realized that they cannot safeguard their interests without arms. Even when they had Siad Barre as a common enemy, there was still friction among them.

What is going to happen now? In a statement he made in London yesterday, the USC representative said that those who have been making statements in Rome in its name do not represent the congress. We hope this does not mean that a power conflict has begun in the country even before Siad Barre fled the country. We hope this is not the case.

Proposed Ethiopian Government-Rebel Talks Viewed

EA3101192191 Moscow International Service in Amharic 1500 GMT 30 Jan 91

[Vladimir Borisov commentary]

[Text] In a news conference she gave at the end of her two-day visit to Ethiopia, British Minister Lynda Chalker said in Addis Ababa that the Ethiopian Government and the Eritrean rebels have agreed to begin new peace talks. The talks are to be held in London with U.S. mediation. Our observer, Vladimir Borisov, has filed the following commentary on the issue.

The commentator says that the news about the beginning of peace talks on the longest regional conflict in Africa is pleasing, but it is hard to believe that the talks will be easy and that they will bring peace immediately. Several similar peace talks were held between these parties in Atlanta, Nairobi, and Washington just to mention some, but they were all fruitless. The other thing worth mentioning here is that since those talks, the Addis Ababa government and the Eritrean People's Liberation Front [EPLF] have not changed their stands on the Eritrean question. Their stands have become more stubborn and antagonistic rather than their differences being bridged.

While the EPLF advocates that Eritrea should secede from Ethiopia and form an independent state, they have taken control of more territory. It has been almost a year since they captured Mitsiwa, the main Ethiopian port.

According to the commentator, the EPLF's show of solidarity with Iraq in the present Persian Gulf crisis shows how confident they are and the radical stand they hold. It is well known that in their struggle with the Addis Ababa government the Eritrean secessionists have always been supported by the neighboring Arab countries, which is why the West strengthened its relations with the Addis Ababa government.

About a year ago Ethiopian leader Mengistu Haile Mariam put aside Marxist ideology and officially started to reform the country's economic system. In addition, since the Addis Ababa government's foreign policy is inclined toward stronger ties with Israel, today Ethiopia is presumed to support the Western stand in the Persian Gulf crisis. It is in this hope that the West wants to strengthen its relations with Ethiopia.

Regarding the 1950 UN resolution on the self-determination of Eritrea, it is long overdue that the Eritrean rebels determine their destiny. The question then was one of federation, but now their demand is for a referendum on Eritrean independence. If such a referendum is held, it is clear to everyone what the outcome will be, but Addis Ababa will never stop stating that such a referendum is inconceivable.

If this is the case, a question may arise as to why the talks should be held. The Addis Ababa government, while calling for mass mobilization, has shown its readiness for

peace talks which significantly contributes to its diplomatic success. As far as the Eritrean rebels are concerned, British Minister Lynda Chalker stated that they have been convinced of the need for the London talks. I still find it difficult to answer the question of when the Eritrean conflict will be solved, concludes our commentator.

Zambian Leader Interviewed on Apartheid, Gulf, Ties

PM3101144391 Moscow IZVESTIYA in Russian 29 Jan 91 Union Edition p 4

[Interview with Zambian President Kenneth David Kaunda, leader of the group of "frontline" states in southern Africa, by IAN correspondent Yu. Sergeyev and TASS correspondent V. Zbaratskiy in Lusaka; date not given: "Dialogue in Southern Africa Bearing Fruit"]

[Text] [Correspondents] In light of the recent political changes in the RSA [Republic of South Africa], what can you say about the stand of the "frontline" states?

[Kaunda] I believe that the "frontline" states must continue to bring pressure on the apartheid regime until fundamental changes take place in the RSA. Only then should the political activity of the "frontline" countries be totally reoriented toward developing economic ties with the new South Africa. We already have the structures necessary for that reorientation, because there are regional organizations that have proved themselves well: the Conference for Coordinating the Development of South African Countries and the Preferential Trade Zone, for example, and a number of others.

I believe that broad opportunities for the development of trade and economic relations between southern African countries will open up with the elimination of apartheid.

[Correspondents] What is your opinion of the reforms being carried out by RSA President Frederik de Klerk?

[Kaunda] I have had frequent meetings with RSA leaders in the past: B. Vorster and P. Botha. I had the opportunity to meet F. de Klerk in 1989. As a politician, he is very favorably different from his predecessors. I am sure that de Klerk is being totally serious and sincere when he says he is committed to change in the RSA. I have no doubt that this politician will continue to implement reforms.

The most important thing now is to abolish the legislation of the racist state. Thanks to the efforts of the new RSA leader, Nelson Mandela and a number of other political figures have been released from jail, the state of emergency and the ban on political parties' activity have been lifted, and party leaders and ordinary members have been given the opportunity to return home.

I believe that Frederik de Klerk has shown by the work he has done as head of state that he deserves to be trusted.

[Correspondents] What, in your opinion, is the role of the Soviet Union and the United States in settling the situation in South Africa?

[Kaunda] I am aware that the question of settlement in the RSA has been raised at Soviet-U.S. summit meetings and discussed in detail by the two countries' leaders. This has also been done during bilateral contacts at other levels and in the course of international conferences in Africa and other regions of the world.

On a visit to the Soviet Union in November 1987, I doubted the possibility of a political settlement in South Africa, which M.S. Gorbachev and I discussed at the time. But we are now witnessing changes in this country which have become reality solely thanks to peaceful dialogue.

The Soviet Union and the United States could use their authority to broaden positive processes in South Africa on the basis of talks and compromise.

[Correspondents] Have the events in the Soviet Union and other East European countries had any influence on the development of the democratization process in Zambia?

[Kaunda] I do not think so. In my view, the situation in Zambia is far from identical to the situation in the countries you mention. But it goes without saying that we do not live in isolation from the rest of the world. There is no doubt that the policy of perestroyka and glasnost is having an impact on the world. We, for example, have decided to abandon our one-party system and reintroduce a multiparty system.

Unfortunately, not everyone in the Soviet Union fully understands the importance of the policy of new political thinking. If this policy is defeated, conservative forces could get into power and try to return the country to the past. So I wish M.S. Gorbachev and his supporters the very greatest success.

There is now a lot of talk in the West about recent events in the Soviet Union. But I hope that the West will not change its attitude to the Soviet Union and will continue to give it assistance.

[Correspondents] What can you say about the prospects for Soviet-Zambian cooperation?

[Kaunda] The real implementation of economic reforms under M.S. Gorbachev's leadership is the key to expanding our bilateral cooperation. We will be able to set up joint enterprises in Zambia and the Soviet Union and use our potential and resources for the good of the Soviet and Zambian peoples.

[Correspondents] Do you see any possibilities for a peaceful solution to the conflict in the Persian Gulf now that the war has started?

[Kaunda] This conflict absorbs all my attention. I am constantly thinking about how to resolve it by peaceful, political means and am prepared to take any step to make this reality.

I support the idea of a meeting in Nicosia of all interested parties to discuss the possibility of a cease-fire in the Persian Gulf. In my view, initiatives like these offer a real chance of peace in the region.

I know that M.S. Gorbachev has sent messages to Saddam Husayn. I highly value these steps. I think all leaders should use every opportunity they have to end this war.

Malian Students Congress Ends in Moscow

AB0702150091 Bamako Domestic Service in French 1500 GMT 6 Feb 91

[Text] The fourth ordinary congress of Malian Students and Trainees in the Soviet Union ended in Moscow on 1 February. In his closing address, Malian Ambassador Cheikh Cisse stressed the role of Malian youth as the spearhead of the drive to promote our people's cultural values. Dr. Cisse also expressed satisfaction with the atmosphere of friendship, understanding, and peace within the organization, noting that this had facilitated smooth deliberations at the congress. He went on to say that the deliberations were carried out with wisdom, prudence, and objectivity. He also urged the students to strengthen their cohesion and unity.

Aliyev-Led CPSU Delegation Arrives in Tanzania

LD0502200791 Moscow TASS International Service in Russian 1610 GMT 5 Feb 91

[By TASS correspondent Vladimir Novikov]

[Text] Dar-es-Salaam, 5 Feb (TASS)—A CPSU delegation led by M.G. Aliyev, CPSU Central Committee member, arrived today in Tanzania at the invitation of the country's ruling party, the Party of the Revolution. The visit is taking place in accordance with a cooperation plan between the two parties. In the course of it the CPSU delegation envisages meetings with leaders of Tanzania's Party of the Revolution and a visit to Mbeya district and Zanzibar, the island of Tanzania. The sides are exchanging experiences of party work.

New Ambassadors to African Countries Named

New Envoy to Zimbabwe

LD0402110691 Moscow TASS in English 1038 GMT 4 Feb 91

[Text] Moscow February 4 TASS—The president of the Soviet Union has appointed Yuriy Yukalov to be the Soviet ambassador to the Republic of Zimbabwe.

Yukalov, a Russian, born in 1932, graduated from the Soviet Foreign Ministry's Moscow State Institute for International Relations. He has been in the diplomatic service since 1956.

He worked as attache at the Soviet Embassy in Sudan, the first secretary at the Soviet Embassy in Kenya, a Soviet embassy counsellor in Tanzania and the Soviet ambassador to Tanzania.

Yukalov worked as head of the ministry's second African Department in 1985-1989, and has been heading the ministry's Directorate for African Countries since 1989.

Arkadiy Glukhov has been relieved of his ambassadorial duties in the Republic Zimbabwe in view of his retirement on pension.

New Envoy to Chad

PM0702115091 Moscow IZVESTIYA in Russian 26 Jan 91 Moscow Edition p 5

[Unattributed "Chronicle" report]

[Text] The USSR president has appointed Vladimir Gerasimovich Filatov USSR ambassador extraordinary and plenipotentiary to the Republic of Chad.

The USSR president has released Vladimir Ivanovich Fedorov from his duties as USSR ambassador extraordinary and plenipotentiary to the Republic of Chad in combination with other posts.

New Envoy to Botswana

PM2301114491 Moscow IZVESTIYA in Russian 21 Jan 91 Union Edition p 6

[Unattributed "Chronicle" reports]

[Text] The USSR president has appointed Boris Rubenovich Asoyan USSR ambassador extraordinary and plenipotentiary to the Republic of Botswana.

The USSR president has released Viktor Georgiyevich Krizda from his duties as ambassador extraordinary and plenipotentiary to the Republic of Botswana in connection with his retirement.

New Ambassador to Sierra Leone

LD0901164191 Moscow TASS in English 1538 GMT 9 Jan 91

[Text] Moscow January 9 TASS—The Soviet President appointed Vladislovas Mikuchyauskas ambassador extraordinary and plenipotentiary to Sierra Leone.

Mikuchyauskas, 60, an ethnic Lithuanian, graduated from the Kaunas Polytechnical Institute in 1958.

He has a great deal of experience in state and party work. In 1988-1990, Mikuchyauskas worked as Lithuania's foreign minister.

He has the diplomatic rank of ambassador extraordinary and plenipotentiary, first class.

Vladimir Novoseltsev, the previous Soviet ambassador to Sierra Leone, left due to his transfer to other work.

CPSU Greets Guinea, Cape Verde Congresses

PM240114019! Moscow PRAVDA in Russian 21 Jan 91 First Edition p 4

[Message to the Second Extraordinary Congress of the African Party for the Independence of Guinea and Cape Verde from the CPSU Central Committee Secretariat]

[Text] To the Second Extraordinary Congress of the African Party for the Independence of Guinea and Cape Verde (PAIGC).

We send our greetings to delegates of the Second Extraordinary PAIGC Congress.

Soviet communists have great sympathy for your party's activity in the interests of strengthening your country's political independence and social development. We highly value the good relations of friendship and cooperation that have evolved between our parties and confirm our willingness to develop them further.

We wish your congress successful work for the good of your country's people.

[Signed] CPSU Central Committee Secretariat.

East Europe

Troop Withdrawal From East Europe Viewed

91UM0337A Moscow KRASNAYA ZVEZDA in Russian 5 Feb 91 First Edition p 3

[Article by Colonel V. Markushin: "From Love to Hatred? What Is Troubling About the Positions of Some East European Neighbors"]

[Text] I observed this episode on the subway: An agile, sharp-tongued woman berated a man who accidentally brushed her with a briefcase for the entire car to hear. The man did not know what to do about it, and meekly put up with this aggression. If a fellow "without qualms" had been in his position, the woman would have delivered her monologue in her mind, without opening her mouth.

Unfortunately, things like this do not happen only at the level of street contacts. Be that as it may, I found the subway scene reminiscent of some of our East European neighbors not being overly discreet in the treatment of their yesterday's "elder brother." This is how it turns out: For as long as they felt the pressure, they smiled, and as soon as they tasted freedom they stopped saying "hello."

Of course, not everything is unambiguous in this matter. Some people might say: You are to blame for this yourselves, you should not have lorded it over them. Now they cannot do it at all if they do not overdo it. Or: The people have nothing to do with it, it is the leaders who hold sway—one kind groveled, and the other kind are being unceremonious. Still, on the whole one gets the impression that we have fallen out of favor with some of our neighbors.

At present, the spotlight is on the Baltic area, and it is talked about a lot. They express concern, they are indignant, they appeal to wisdom, integrity, and conscience. Some do it exclusively by reason of solidarity because they live a world away. Others do it because they can physically feel their proximity to the events. It appears that this latter group should not be in a hurry to join the campaign of concern and condemnation but rather grasp the essence of things, sort them out, and ultimately coolly determine what their interests are. To my mind, this is precisely what is lacking.

For example, the ministers of foreign affairs of Hungary, Czechoslovakia, and Poland gathered in Budapest and stated that "an attempt to reverse the process of transition to democracy and a rule-of-law state by force" threatens all-European stability. What does this statement mean with regard to the Lithuanian events? In essence, that they call on Moscow not to respond to the actions of those who, in contravention of all laws, attempt to split the populace into pedigree Balts and second-class Slavs. Meanwhile, in Poland, for example, the rejection of Lithuanian nationalism is expressed in very definite forms. In the opinion of none other than Minister of Foreign Affairs K. Skubiszewski, "something wrong is going on" in Lithuania that utterly does not suit Poland, and this republic needs a broader view devoid of nationalism.

The events in the Soviet Baltic area, and not just there, are used to inflate the topic of potential threat posed by the Soviet Union. They talk about the possible closure of oil pipelines, the forthcoming stream of refugees, and even infiltration by armed groups.

Inventions get mixed in with forecasts. Thus, quoting Deputy of the CSFR Federal Assembly P. Kulan, the mass media reported an alleged attempt by an armed group of 50 men to break through to Czechoslovak territory.

Transparent hints are dropped about a military threat and the need to strengthen defense in all sectors. Proposals to sign nonaggression pacts are, perhaps, the only thing lacking.

Meanwhile, there are things that need to be seriously pondered. Weakening activities of the Warsaw Treaty have already created a perceptible vacuum in the security system. Yet, some insist on canceling the treaty as soon as possible. Joint constructive efforts by the USSR and its neighbors in the area of security are all the more necessary given that all-European security structures are

not yet really "operational." Nobody intends to solve this problem for us. These may be bilateral, trilateral, and more-lateral agreements among partners with absolutely equal rights who have decided to cooperate in a new manner. However, the aspiration to isolate the Soviet Union from this process, which is what certain circles attempt to do, is absolutely impermissible. This is a short-sighted policy which, incidentally, is not supported by sober-minded figures. In conjunction with this, I would like to refer to a quite recent statement by Minister of Defense of Hungary L. Fur who believes good-neighborly relations with the USSR, including in the military sphere, to be vital and promising.

Long-term vision is very necessary at precisely this moment, when difficulties are emerging in the relationship of yesterday's brethren. We cannot allow the renewal that is under way to impoverish us. I am not trying to simplify the problem associated with the completion of Soviet military presence in Eastern Europe. There are many troubles, and they are exacerbated by our internal shortcomings. However, problems will not diminish if hostility towards our soldiers continues to be fueled in the host countries, if they are treated as a "demoralized force," if attempts are made to "win them over by propaganda," as the Party of Freedom, which is close to the Polish president, has called for.

We are leaving. While leaving, we understand that this is dictated by the new situation and newly perceived interests. We see that the withdrawal of troops should ultimately reinforce the mutual sympathy of our peoples. This makes it all the more unpleasant to encounter at present an undisguised mercenary approach that bolsters the propaganda fuss. The issue of transit of the units of the Western Group of Forces through Poland has suddenly appeared and grown in scope. Warsaw does not agree to the Western Group of Forces using Polish roads before the last Soviet soldier leaves Poland proper. Of course, nobody is calling into doubt the sovereign rights of the Poles but there ought to be an understanding. After all, the Soviet Army did not advance toward Berlin by ferry.

However, in Poland many people understand that points will hardly be won by complicating relations with the USSR. The weekly POLITYKA asks: "Who will win by virtue of this?" The weekly goes on to respond itself: "Unfortunately, it will not be us... We may insist on our point, everything else notwithstanding. However, a situation may then develop whereby the irritated Germans will facilitate the evacuation of Soviet troops by sea and we will remain isolated on land—not for the first time."

The issue of transit is also inflated in Czechoslovakia. The Czech Minister of Internal Affairs T. Sokol believes that units of the Western Group of Forces may suddenly "linger on" in Czechoslovakia if they happen to return home through this country. It is said that there is a chance that they may discontinue transit and set up camp in that country for an indefinite period of time; there are no guarantees. President V. Havel who views transit as "a potential threat" spoke in approximately the same vein.

I would not venture to judge the sincerity of the apprehensions of Czechoslovakia's leaders, but I will quote the words of Minister of Defense L. Dobrovsky from his interview to the newspaper RUDE PRAVO which, to my mind, indicate the desire to collect dividends rather than apprehension. In particular, the minister said that if an official request is made by the FRG with regard to transit after the combat units of the Central Group of Forces leave the CSFR in February, "there will be a good opportunity to treat this favorably."

As they put it in our country: It is very difficult...but possible.

I began my notes with an analogy that, perhaps, some people may not appreciate; they may say that the sense of measure was not heeded. I am not going to justify myself. However, I will refer to a view that comes up in one letter from our readers after another. This is what they write: We should not have "given away" the GDR, we should not be "relinquishing" Eastern Europe—they are not going to reckon with us.

I do not share this opinion. Nonetheless, I believe that our renewal merits understanding and tolerance on the part of our neighbors rather than suspicion. Certainly, it is not worthwhile to behave as if preparations for moving to another continent were being completed. This is precisely the most surprising point because there is no miraculous force of nature that would abolish our being neighbors—we will live side by side for centuries to come. In view of this, what need is there to posture, preach, and exacerbate the atmosphere, which is getting denser to begin with, on any pretext?

Effects of CEMA Payments Reform Viewed

PM170111191 Moscow IZVESTIYA in Russian 16 Jan 91 Union Edition p 7

[E. Guseynov article: "Moment of Truth Arrives in Relations Between CEMA Partners"]

[Text] The contradictory processes taking place in various parts of Europe are among the paradoxes that have marked mankind's history in the last decade of the 20th century. It is a question of the creation of a unified European home in the West, and of the accelerating collapse of the once powerful East European economic bloc—CEMA.

The transition as of 1 January 1991 to reciprocal transactions between CEMA members in freely convertible currency based on world prices has ended a whole era in the development of these countries' economies. It will result in the restructuring of their economies' structure—a process fraught with far-reaching, sometimes extremely disparate consequences.

This change seems outwardly simple. Previously, reciprocal transactions were carried out in standard monetary units—convertible rubles—by the clearing method whereby states generally concluded deals for a whole five-year period. Settlement was once again made between states.

The artificiality of this kind of trading system, designed to forcibly curtail commodity-money relations at interstate level, is obvious. It has rarely been used outside the socialist system at all, and—if you ignore Finland—has not been practised between East and West for more than 20 years. It had two main shortcomings: the depersonalization of economic activity and the gradual degeneration of incentives for technological progress.

After all, under this system some people were, for example, extracting oil and felling timber in the USSR by the sweat of their brow, while others in the selfsame USSR were receiving commodities and equipment "in accordance with the plan," imported on the strength of supplies of this raw material. Meanwhile, some people in East Europe, supplying commodities in exchange for raw materials under long-term agreement, were fully guaranteed a sale; they had no need to make improvements since this trade was cut off from the main driving force of renewal—world market competition. Hence the growing lag in technology and competitiveness and the stagnation that struck not only our CEMA partners' economies but also partly the economy of such a seemingly prosperous and industrially developed country as Finland, which made extensive use of clearing in its trade with the USSR.

Last, the main point—prices. Prices for commodities which formed the basis of the wealth of entire countries, which were hunted out on the world markets, and which were at such a level within CEMA that they involuntarily caused doubts as to the competence of the people who fixed these prices. For instance, in 1974 one tonne of Soviet oil sold to CEMA partners cost 18 foreign currency rubles against 62 foreign currency rubles on the world markets. We supplied almost 120 million tonnes a year within the CEMA clearing framework at the end of 1988. On the other hand, when oil prices fell sharply in 1986, the price of 167 rubles [R] per tonne of Soviet "black gold" was current within the CEMA framework—2.5 times above world prices.

The same inexplicable price "leaps" also occurred for other groups of commodities. It is not surprising therefore that Bulgaria, for example, obtained 10 tonnes of oil from the USSR in exchange for one tonne of poultry meat, and just five tonnes of oil in exchange for one tonne of the same produce exported to the West. For example, we bought sugar from Cuba at $600 per tonne whereas the world market price was $180-220.

CEMA economists must say in justification that they tried to iron out imbalances in reciprocal trade by utilizing the play of artificial prices and the special features of clearing. Unfortunately, this ultimately had exactly the opposite results.

At present it is the Soviet Union, which for decades supplied its partners with highly valuable strategic raw materials at prices below world levels, that has ended up in their debt. We owe 2.8 billion foreign currency rubles to Czechoslovakia, roughly 1.2 billion to Hungary, and more than 4 billion to Poland. We have run into debt with Finland, with whom we also traded by clearing, to the tune of 7.2 billion Finnish marks, 2 billion of which come within clearing trade. That is despite the fact that our country gave Bulgaria a nonrepayable sum of R2.8 billion in 1979-1985 to develop agriculture, light industry, and tourism. All this has given Western economists an excuse to claim that the Soviet Union was effectively subsidizing the East European countries to the tune of billions of dollars every year, along with Cuba, including via inflated prices for Cuban produce, to the tune of $5 billion. To be fair I must say that we are also owed R9.5 billion by Mongolia, for example.

Who wins and who loses with the introduction of this new system of transactions? If we proceed on the basis of purely external circumstances, the USSR will derive the greatest benefit during the first stage. According to very rough estimates, we will obtain an additional sum of up to $10 billion from the sale of energy sources at normal prices alone. Correspondingly, the East European CEMA members (Hungary, Poland, Bulgaria, Czechoslovakia, and Romania), along with Yugoslavia, will increase their hard-currency expenditure by $6 billion, thus increasing their trade deficit to $3 billion in 1991.

The point is that whereas Soviet raw materials can be successfully sold on any markets, East European manufactured output is not very competitive outside the CEMA economic space and will by no means be able to be sold for freely convertible currency. Suffice it to say that these countries expend roughly 2.5 times more energy sources and materials than industrially developed countries on producing comparable output.

Meanwhile, some people would like to retain their existing ties with the USSR (this is inevitable; after all, we hitherto imported goods worth R40.5 billion from CEMA countries every year and it is terribly dangerous to destroy this kind of trade), just as their Soviet partners have to depend not on clearing where someone else paid for their orders but on commercial credits accepted worldwide.

In my view, there is another reason why USSR foreign economic organizations agreed in January 1990 to CEMA's adopting the decision to switch mutual trade in the future to convertible currency. Next year, according to the forecasts, the USSR will have a foreign trade deficit of $7-10 billion, and the Soviet Union still has to pay interest on debts of $9 billion For that reason we need hard currency more than, possibly, good-quality

cheap commodities from Eastern Europe with which you cannot, unfortunately, pay off our debts.

Pros, Cons of Four-Decades-Old CEMA Viewed

91UF0354A Moscow PRAVDA in Russian
16 Jan 91 Second Edition p 6

[Article by Boris Averchenko: "CEMA Strikes the Flags: Editor's Notes"]

[Text] *The international economic organization of socialist states—the Council for Mutual Economic Assistance—has been in existence for more than four decades. Its activity is now coming to an end. CEMA has exhausted its possibilities, and at the 134th session of its Executive Committee, which ended recently in Moscow, the members of the council mutually agreed to discontinue the development and radical transformations of this organization and create new structures.*

At the same time, it would be wrong to maintain that the activity of CEMA was only of a negative nature. Yes, the Council for Mutual Economic Assistance really did have many shortcomings. But it is not these that determine its significance and contribution to the common cause.

Born of the requirements of the times, this organization played a big part in the acceleration of the economic and scientific and technological progress of friendly countries and in the development of their productive forces. It is sufficient to mention the collective formulated comprehensive programs of economic integration and scientific and technological progress, the coordinated plans of the development of the determining sectors of industry, and many other joint activities. Although these programs were not fulfilled, they powerfully boosted the progress of the economy, science, and technology of the CEMA countries.

Dozens of joint ventures, research establishments, laboratories, design bureaus, banks, and power engineering, transport, and oil and gas pipeline systems were created with the active participation of the council. Many of them are still performing useful work for the good of the friendly peoples.

Thousands of specialists from different countries worked in the CEMA bodies and at joint construction projects and ventures, contributing as much as possible to the development and strengthening of mutual cooperation. It is hardly the majority of these who are to blame for the fact that the threads of bureaucratism gradually entangled the council's structures. All cannot be tarred with the same brush. I would like to hear kindly, grateful words addressed to these people, who gave many years to the organization of the interaction of the CEMA states.

As is known, the allied countries have extensive trade relations. The administrative-command system of management and the vise of centralized planning prevented the expansion and intensification of these relations on a basis of genuine equality and mutual benefit. The transition to a market economy led to the disintegration of the system of payments based on the transfer ruble. Henceforward reciprocal commodity supplies will by common agreement be paid for in freely convertible currency at world prices. This will make it possible to make fuller and more effective use of the possibilities of each country and to join the world market more rapidly.

The times of the patronage of the "elder brother," as also of the trends of dependency which existed in places, are irretrievably a thing of the past. Of course, I by no means signify by this assertion that the friendly countries are wholly abandoning mutual assistance. I believe that, having made convertible currency the basis of commercial settlements, the states which were members of CEMA will in the very near future find acceptable and mutually beneficial solutions in respect of barter deals, the mutual granting of credit, and other types of cooperation, creating most-favored-nation conditions for one another.

In recent days a number of trade and economic agreements for 1991 have been signed between the USSR and East European countries. It seems to me that in the majority of them the partners have been able to arrive at decisions which the parties find to their liking. The most difficult of them concerned supplies of Soviet raw material, oil primarily. In the decades of friendly relations the CEMA countries had become accustomed to obtaining from their "elder brother" enormous quantities of energy at below world prices. This not only catered sufficiently for their domestic requirements but also enabled them to save billions of dollars on the Soviet supplies.

Now the situation has changed appreciably. Our country is not in a position today to keep up the former volume of oil supplies. They are diminishing by one-third to one-half approximately. This is connected both with the increase in production and shipment costs and also with the serious economic difficulties that have arisen in our country. But, as already mentioned, we are by no means closing the valves of the oil pipelines. The flow of oil to the East European countries remains strong, as before. We have accommodated the requests of our Bulgarian friends. Considering the difficulties this country is now experiencing, the USSR has agreed to supply it with approximately 6.5 million tons of oil. The Bulgarians are paying not in dollars but in supplies of electronic products, machinery, canned goods, and other commodities. All this once again points to the fact that our country and Soviet people value the friendship with the Bulgarian and other peoples of the CEMA states which has built up over the years of long and diverse cooperation.

The high-rise CEMA building on the bank of the Moscow River, reminiscent of a huge open book, no longer has light shining at night through many windows. The staff is being reduced, and specialists are leaving for their own countries. During the 134th session of the

CEMA Executive Committee the flags of the nine members of the Council for Mutual Economic Assistance flew on the flagstaffs in front of the building for the final time, evidently. Today the flagstaffs are bare. CEMA is striking its flags—both figuratively and in the direct meaning of the word.

But life and the interests of the cooperating countries demand not a severance but an intensification of economic relations, which are a living reality. This goal, as representatives of the participating countries agreed, will be served by a newly formed organization—CEMA's successor. It is proposed that it be called the Organization of International Economic Cooperation (OMES).

The 46th sitting of the Council for Mutual Economic Assistance session, the last in CEMA's history, is scheduled for the end of this February in Budapest. It will be necessary there to adopt the statutes of the new organization—OMES—the concept of its activity, and other fundamental documents. In accordance with tradition, it has been decided to invite to the sitting Yugoslavia, which has interacted closely with CEMA for many years, and also the FRG, as the successor of the former GDR.

OMES will be an organization open to all. Any country joining it may at the same time be a member of other international economic organizations.

Some time will elapse, and the flags of the participants in this new organization will once again flutter in front of the book-building on the bank of the Moscow River, where OMES headquarters will most likely be located. Cooperation continues.

Albanian Reform Process Viewed

91UF0419A Moscow IZVESTIYA in Russian
2 Feb 91 Union Edition p 6

[Article by N. Smirnova, doctor of historical sciences: "Albania: Parting With Totalitarianism"]

[Text] Tirana-Moscow—**Almost 30 years had elapsed since my last trip to Albania. I was there as part of the Soviet delegation at the Fourth Albanian Trade Unions Congress. And then I once again visited Tirana at the end of last year at the invitation of the Albanian Academy of Sciences....**

We were accommodated, as before, in the Hotel Dajti, which had been built by the Italians following the country's occupation in 1939. The hotel has been completely modernized and provided with new furnishings and modern television and radio equipment.

The capital itself has changed also. New neighborhoods and public buildings have appeared: a history museum, an opera theater, the Palace of Congresses, the People's Assembly building, and the Enver Hoxha Museum or "the pyramid," as the people call it (it is said that the architect daughter of Enver Hoxha, a lady of basketball-player stature and powerful build with the poetic name of Pranvera, that is, spring, participated in the design). Right here, alongside the history museum, a monument to Enver Hoxha, painted bronze, has been put up.

Officially, reverence in respect to the self-deified leader of the Albanian people continues. Ramiz Alia, chairman of the People's Socialist Republic of Albania People's Assembly, and first secretary of the Albanian Workers Party Central Committee, recently emphatically opposed attempts (does this mean they are still being made?) to revise the role and place of E. Hoxha in Albania's history. But among the people the attitude toward him is quite indifferent, and the magnificent museum is empty.

In the square bearing the name of the 15th century national hero of Albania, Skenderbeg, stands his equestrian statue. Earlier there had been a monument to Stalin here, but in the 1960's it occupied a spot in a green recess on Fallen Heroes Avenue, opposite the Lenin monument. And quite recently the Stalin monument was taken down. The reason was the fact that the preservation of symbols connected with his name, and there are a multitude of them here, might be given a distorted interpretation....

Nineteen ninety was a year of Albania's awakening, a year of the emancipation of the spiritual forces of its people. A closed society, which had repeated in miniature our model of socialism, has begun in the last three or four years to slowly rid itself of the shackles of the administrative command system. The initiative behind the timid economic transformations belongs to the party's upper stratum. Initially these were attempts to stimulate the working people's material interest and grant the enterprises greater independence, having eliminated the inordinate diktat of the ministries. Then the concept of industrial development as a whole, which had traditionally given priority to the heavy industry sectors, was revised. There came to be talk about the introduction of cost accounting. For the first time since the mid-1960's permission was given for a certain quantity of livestock and poultry to be kept in the countryside at one's private yard, which had been cut back by spirited reformers to the threshold of the houses virtually.

The peasant bazaars, which had been banned in the period of fascination with the Chinese experiment, have come to be revived. The "cultural revolution" in Albania did not take. But much of the pompous trivialities of the leaps forward, great and small, type and the reduction to nothing of the material stimulation of both physical and intellectual work was accepted and introduced with fervor here. In the struggle against private ownership instincts the individual craftsmen, herded into state and cooperative enterprises, were wiped out. As a result the silver filigree items, the multicolored fretted wooden pipe stems, spoons, and climbing sticks, the woolen two-way carpets, national embroidery—all that had previously been made and sold here, at noisy picturesque bazaars of Elbasan, Shkoder, and Kruje, may now be obtained only for hard currency at Intourist hotel stands.

When G. Ciano, foreign minister of fascist Italy, went to Tirana for the nuptials of King Zog in April 1938, he recorded in his diary: "A rich country, really rich. Capable of feeding 5 million, it does not support even one...." Albania now has a population of 3 million, three-fourths of which are people under the age of 40. Provision of its inhabitants with foodstuffs and industrial commodities continues to leave much to be desired.

Yet Albania is really rich. On a small territory of less than 29,000 square kilometers there stretch out lush alpine meadows in the north, fertile plains in the central part, and luxuriant subtropics in the south and along the shores of the Ionian Sea. Minerals, which were unknown before the war even, have been prospected. Harvests of a number of crops may be gathered two-three times a year. And what tourist centers could be created on the shores of the Adriatic and the Ionian Sea, at lakes Shkoder and Okhrid and in the vicinity of the monuments of classical and medieval culture!

As 30 years ago also, I was afforded an opportunity to travel to the south, stroll the narrow clean streets of the most handsome city of Gjirokaster, sit beneath the palm trees on the embankment at Sarande and visit ancient Butrinti. This part of Albania creates the impression of a prosperous region—olive groves, citrus orchards, and the cleanest and, alas, deserted beaches. All this apparent well-being disappears upon contact with the empty shelves of the city stores. The example of Albania is further confirmation of the phenomenon characteristic of the Stalin model of barracks communism, when observance of ideological purity is invariably accompanied by the purity of the shelves.

The events of the fall of 1989 in Central and Southeast Europe and the food crisis in Albania itself, which had intensified as a result of three dry years, exerted an undoubted influence on the policy of the Albanian leadership, stimulating the adoption of a number of important decisions in the social and economic spheres. Plenums of the Albanian Workers Party Central Committee (January-July 1990) set the task of creating a new economic mechanism, whose implementation was scheduled for January 1991.

Numerous laws and decrees have encompassed all spheres of economic activity. But they have created merely the prerequisites for further economic recovery, not appreciably influencing the current state of the food and industrial commodities market. The rationing of such important foodstuffs as butter, meat, and cheese continues.

Last year's poor harvest put an end to hopes of the possibility of ensuring even the minimum level of supply of basic necessities. The mass exodus from the country of young people, unhappy with the economic situation, that had begun prompted the government last November to adopt a decision on urgent food purchases abroad.

A thaw in the social climate has been perceived in the country for more than a year now, and xenophobia is disappearing for people are not now punished for contacts with foreigners. But parting with the totalitarian past is proving difficult. When unrest among the youth and the intelligentsia began in the fall of 1989, the authorities' first reaction to the peaceful demonstrations themselves was an endeavor to suppress them by force and to employ the "stick without the carrot" policy, which had been tried and tested over decades. However, after the Albanian party and state leadership, bowing to the command of the times, began to orient itself toward Balkan cooperation and subsequently declared a desire to participate in the all-European process and build a state based on the rule of law, and this was manifested with all certainly only at the start of last year, a change in the direction of a solution of domestic conflicts by civilized methods emerged.

This was manifested most graphically in July in the period of the "embassy crisis," when hundreds of young people sought refuge in foreign embassies, demanding that they be granted political asylum. Having begun with putting a stop to these attempts by force, the government was ultimately forced to grant exit visas to those who wanted them.

The July events evoked a contradictory response at the top. At the Albanian Workers Party Central Committee Plenum held 6-7 July R. Alia had harsh words for the unpatriotic action of the young people, who, instead of using the open door, had dashed over the fences into foreign embassies, thereby undermining trust in the government. There were personnel changes at the plenum. Some members of the "old guard" retired. True, they were replaced by people from that same party-appointments circle. And Xhelil Gjoni, a supporter of tough measures, became in the Politburo the curator of the Army and, what is more, the security authorities. It was rumored in Tirana that it was on his initiative that the oppression along party and administrative lines of relatives of the July refugees began in the fall.

Fears that the process of sociopolitical transformations could come to a standstill as a result of the opposition of conservative- dogmatic forces in the Albanian Workers Party became quite widespread.

In 1945 Albanians opted for our model of the building of socialism voluntarily, without outside pressure. Only Yugoslav advisers tried to persuade the Albanian communists of the need to pursue a firm class policy and impart to its goals more of a socialist character, as E. Hoxha complained to our emissary D.S. Chuvakhin in May 1947. The same administrative command system as with us with the same repressive deviation, which functioned entirely independently, was created in Albania. And from the time of the severance of Soviet-Albanian relations in 1961 through our day we could influence only by "persuasiveness of example," perhaps. And influence we did. The result was the same: The regime was unable to secure for the working people normal living and working conditions. For this reason a radical rethinking of the path trodden is under way there in the

45th year of the republic's existence. The desperate are leaving, those who have not lost hope are remaining to build everything from scratch. Last December's events showed that vigorous creative forces persist in the Albanian people.

Was the upsurge of social and political assertiveness that occurred at the end of last year unexpected? Yes and no. To judge by the conversations that I had in Albania, there was an expectation of change and dissatisfaction with the cosmetic half-measures being adopted under the conditions of the growing crisis of the entire system of domestic political and economic relations. There was no opposition, seemingly. And where should it have come from if there were no historical traditions of multiparty conditions and dissidence had at all times been eradicated together with its exponents? I recall how one economist, with whom I was not acquainted, said that if in the very near future "they up there" did nothing, everything was possible in December—"both rebellion and blood...."

And, indeed, December was marked by mass demonstrations in Tirana, Shkoder, Kavaje, and Elbasan demanding reforms and the defense of democracy. In places these protests were accompanied by escapades on the part of hooligan elements. The students and the intelligentsia, and it was they who constituted the backbone of the peaceful demonstrations, dissociated themselves from the organizers of the disturbances and declared their desire for the creation of new democratic parties.

The leadership of the Albanian Workers Party was forced to agree to their demands. The Democratic, Radical, and Ecology parties and the Forum in Defense of Human Rights organization began to take shape in December-January. They all launched a struggle for postponement of the elections to the People's Assembly scheduled for 10 February on the grounds that they could not get ready to conduct an election campaign on par with the Albanian Workers Party. And on 15 January agreement was reached: The elections were switched to 31 March.

In his New Year address to the Albanian people, R. Alia said that the process of democratic transformations had last year developed with exceptional speed. And, indeed, if we compare the assessments of the situation in Albania made at Albanian Workers Party Central Committee plenums at the start of last year with those contained in documents of the November plenum, R. Alia's speech on 26 December, in his New Year's message, and in the Albanian Workers Party's election program published on 3 January 1991, a qualitative change in the very approach to the realities taking shape in the country may be discerned.

The new term "democratization," which replaced "revolutionization," which had invariably been appended to all processes in the country and in the party that had occurred as of the mid-1960's, appeared. Initially the introduction of the new term had a purely decorative application. Whereas earlier the Albanian Workers Party had "revolutionized" itself, it now had to "democratize" itself, rejecting even the possibility here of the existence in Albania of single-party democracy. Even last spring at a meeting between R. Alia and cultural figures some of those present had timidly proposed in the interests of democracy the creation of a "green"-type party with no aspirations to power. The idea was rejected.

But the recently published Albanian Workers Party election platform speaks directly of the need for a separation of the power functions of the party and the state, cooperation with all parties and organizations (they acquired the right to exist in the draft new constitution), proper dialogue with all political forces, and the building of a state based on the rule of law in accordance with European standards.

At the November plenum R. Alia acknowledged that blunders in policy and the adoption of rash decisions by the party and state leadership were rooted in the uncritical use of the experience of the Soviet Union, China, and other countries, which had been considered universal. Given the declaration of a socialist orientation, the present election platform of the Albanian Workers Party sets the tasks of a gradual transition to a market economy and recognizes all forms of ownership and cooperation. R. Alia spoke even more particularly in regard to foreign capital investments, declaring that economic revival was impossible without them. A long-term trade, economic, and technical cooperation agreement and also a protocol on cooperation in 1991 were signed between the Soviet Union and the People's Socialist Republic of Albania on 12 January.

...On 2 December 1945 Albanian communists were victorious at the elections to the Constituent Assembly, having supported the program of the Democratic Front. At that time the communist party was the country's sole political party. The first elections in the 45 years of the republic's existence, at which the Albanian communists will present a democratic national action program under the conditions of a real multiparty system, will be held on 31 March 1991. Will the opponents from the ranks of the new political parties constitute competition for the communists? Time will tell. There is not long to wait, unless, of course, the elections are deferred once again.

Recent Albanian Political Developments Viewed

PM1101161391 Moscow KRASNAYA ZVEZDA in Russian 11 Jan 91 First Edition p 3

[Article by Doctor of Historical Sciences N. Smirnova: "At a Turning Point; On the 45th Anniversary of the Proclamation of the Albanian People's Republic"]

[Excerpts] Delivering a New Year message on Albanian radio and television, R. Alia, chairman of the Albanian People's Assembly Presidium and first secretary of the Albanian Workers Party (AWP) Central Committee,

described 1990 as special in the life of the country. Next year, the Albanian leader said, must be a turning point.

It seems to me that this turning point has already been reached. The "embassy crisis," during which thousands of young Albanians fled the country over the walls of foreign diplomatic missions, and the December protest demonstrations are still fresh in people's minds. The mass exodus of ethnic Greeks continues. Nevertheless, for all their tragic, sensational nature, it is not these events that allow us to describe 1990 as a turning point in Albanian history. [passage omitted]

At the beginning of the year, the creation of a new economic mechanism was conceived within the framework of the socialist choice made by the Albanian people 45 years ago. But, at the November plenum, R. Alia himself said that shortcomings in AWP policy were connected with uncritical use of the experience of the Soviet Union, China, and other countries, which was considered to be universal. He formulated the question as follows: "Has there been world socialist experience that we have treated as a reference point in our practice and regarded as totally pure, and can the same be said of it now?" The AWP election platform published on 3 January 1991 is the response to this.

It sets the following tasks: implement radical economic reform; make a gradual transition to a market economy; make rational use of the country's resources and attract foreign credit; create a profitable economy; saturate the consumer market; recognise all forms of ownership and cooperatives; hold a constructive dialogue with all political forces. All AWP documents set the task of ensuring political stability in society.

The party has also been given clear guidelines in foreign policy. Like the New Year message, the platform states the firm intention to become involved in the all-European process, having dispelled the prejudices of the cold war. It stresses that Albanians must feel they are not just citizens of their own country but citizens of the Balkans and Europe as well. Does this mean that "Albania has shifted to the West"? I do not think so. Thirty years after the country was removed [otstranena] from participation in CEMA, it is ready to participate as an observer in the Budapest session of this organization, which is being transformed into a new international organism of economic cooperation. Soviet-Albanian talks aimed at the signing of a trade and economic agreement—the first since 1960—are currently being held in Tirana. All this evidences rejection of the unilateral orientation toward one country or group of countries from which Albanian foreign policy has suffered in the past.

Today is the 45th anniversary of the proclamation of the Albanian People's Republic. It is now entering a new phase of its existence. The Albanian people's creative energy thus released must lead to the creation of a society of social justice in the country that has labored under the yoke of totalitarianism longer than any other in Europe.

Albanian Opposition Newspaper Begins Publication

PM0801162591 Moscow IZVESTIYA in Russian 8 Jan 91 Union Edition p 4

[Report by IZVESTIYA correspondent A. Kapralov: "The Opposition's First Newspaper"]

[Text] Sofia—According to news reports from Tirana, the Albanian Workers Party [AWP] has published its election campaign program. "Vote," this document says, "for the party of action and progress, the party which would defend the interests of the people and the country under any circumstances."

The AWP promises to create a rule-of-law state according to European standards, guarantees human rights, and promises to effect a transition from plan to market economy and to develop private initiative.

The first opposition newspaper—the Democratic Party's organ RELINDYA DEMOKRATIKE [name as transliterated] ("Democratic Revival")—has launched publication in Tirana. The 50,000 print run of the newspaper's first issue sold out within a few hours.

In its six pages, RELINDYA DEMOKRATIKE publishes the Democratic Party's program and articles containing criticism of the communist rule in the country.

CSFR President Advocates Closer NATO Links

PM1102125791 Moscow SOVETSKAYA ROSSIYA in Russian 8 Feb 91 First Edition p 5

[Unattributed report: "CSFR and NATO"]

[Text] Prague—A NATO political committee delegation was received by CSFR President Vaclav Havel within the framework of the program for its stay in the country. CTK reports that Havel advocated broadening cooperation and establishing closer relations between Czechoslovakia and the North Atlantic alliance. Identical views were displayed during the NATO delegation's talks with CSFR Foreign Minister Jiri Dienstbier. The sides stated that "Europe cannot do without NATO, which is the sole guarantee of security on the continent and the basis of future all-European security structures."

Troop Withdrawal from CSFR Progress Examined

LD0602190191 Moscow Domestic Service in Russian 1600 GMT 6 Feb 91

[Text] News agencies are paying attention to a Prague meeting of governmental representatives supervising the withdrawal of Soviet troops from Czechoslovakia. It has been reported at the meeting that 59,519 Soviet servicemen and 31,397 members of officers' families had left the territory of the CSFR by 5 February. Thirty

rocket launchers, 1,091 tanks, and other military equipment have been withdrawn. The governmental representatives agreed that the aim of the second stage of the withdrawal of Soviet troops has been completely fulfilled.

CSFR General Cited

LD0202232591 Moscow World Service in English 1810 GMT 2 Feb 91

[Commentary by military observer Colonel Vadim Solovyev]

[Text] The withdrawal of Soviet troops from Czechoslovakia has entered its third conclusive stage. Our military observer, Colonel Vadim Solovyev, has written this commentary:

Last February, the first units of the 75,000-men-strong Soviet military contingent deployed in Czechoslovakia left for home. Following them, military trains began transporting troops from Hungary, and, at the end of last year, from Germany. The commander of the Central Group of Forces, Czechoslovakia, General Eduard Vorobyev, was asked to comment on the completion of the withdrawal of Soviet troops from Czechoslovakia, and here are the details:

The air regiment of the last combat unit of the Central Group's aviation force, said Gen. Eduard Vorobyev, has been withdrawan. The pullout of units of the last militarized infantry division out of the garrison stationed mainly in North (Chekhiya) is proceeding in accordance with schedule. Fifty percent of the division personnel has already left for new places of dislocation. All in all, 90 percent of combat units, 78 percent of the personnel, and 90 percent of the equipment of the Central Group of Forces have been withdrawn. The total withdrawal is planned for the end of February. Following the pullout of units, the Soviet Command plans to concentrate attention on the restoration of the environment in the places where Soviet troops were deployed. This will be done with the help of rear formations. The Soviet Command believes that the demands of the Czechoslovak side will be fully met.

The situation is much more complicated at home, where army units are arriving. Over the past year it is become more difficult to accommodate the families of the arriving servicemen. About 200,000 families have no housing of their own. Steps taken toward the solution of the housing situation have failed to keep up with the troops' withdrawal pace.

Those details were contributed by the commander of the Central Group of Forces, Gen. Eduard Vorobyev.

CSFR Minister's Remarks Scored

PM3101142591 Moscow KRASNAYA ZVEZDA in Russian 26 Jan 91 Second Edition p 2

[Colonel V. Markushin "Rejoinder": "Trial Balloon or Something Else?"]

[Text] I shall start straightaway with the comment made by the Czechoslovak minister of interior. He maintains: "Demoralized Soviet servicemen are a destabilizing element. The Soviet troops on our territory are able to make full use of certain opportunities to manipulate the civilian population, and this includes using weapons. There is no guarantee that the Soviet military units being withdrawn from Germany will not remain in Czechoslovakia."

What is this, an honest mistake? A trial balloon designed to clarify the seriousness of the Soviet side's intentions to use Czechoslovak transportation arteries in withdrawing units of the Western Group of Forces? Or something else?

In any case, I know it is not the first. At ministerial level such mistakes are not made. I shall not make guesses. I shall permit myself merely to have serious doubts as to whether the Czechoslovak minister's words reflect the true picture. Information from the Central Group of Forces comes to us regularly and in sufficient quantity. Not everything, it goes without saying, is progressing smoothly out there, but there again the situation is not at all simple. But the withdrawal of troops is taking place exactly on schedule. Incidentally, it is taking place with due regard for the interests of the Czechoslovak side. Despite the fact that much still needs to be done in our country to normalize life and activity for the arriving troops.

In this situation the Soviet servicemen of the Central Group of Forces are obviously in need of moral support. Instead of this they are being called a demoralized force which allegedly poses a threat to the Czechoslovak population. The charge is undeserved and offends the dignity of the Soviet soldiers. I am convinced that very many people in the CSFR will agree with me. Most of all those who understand what side the changes in their country came from.

Deputies Meet on Withdrawals

LD1301123291

[Editorial Report] Moscow Central Television First Program Network in Russian at 1800 GMT on 12 January, in its "Vremya" newscast, carries a three-minute report by Sergey Andreyev on the Soviet troop withdrawal from the Czech and Slovak Federal Republic. The announcer begins the report by noting that "Soviet troops will leave Czechoslovakia by 30 June this year. The 168 military townlets, some 3,000 buildings, and other facilities have been built by us in the republic. Their total values is estimated to be approximately 1,600 billion rubles [as heard]."

Andreyev then introduces a video showing such buildings, regretting that they are not in the USSR, where the troops will be moving. "Members of the Russian Soviet Federated Socialist Republic Supreme Soviet commission on issues of defense and security, and deputies of

the Supreme Soviets of the republics have been here in Milovice, the biggest garrison of the central group of troops, and to other units.

"The two days in Czechoslovakia were all meetings with military men, diplomats, and fellow members of legislature. The conversations were by no means easy or pleasant. The members of the commission spoke about difficulties, about the great material expenditures arising from the withdrawal of the troops. The response is figures of losses on the introduction and stay of the military units. Ecological losses are cited, and it is stressed that this was an occupation supporting the previous regime and stagnation in the country. The Supreme Soviet deputies would like to solve the financial questions as quickly as possible, in other words to sell to Czechoslovakia everything built by the Army during those years, but they object that a lot of what has been put up is not in accordance with Czechoslovak norms and can only be sold at low prices. But, the money is badly needed; new houses have to be built. Sixty-three percent of the 19,000 families leaving Czechoslovakia have no permanent housing in the Soviet Union.

"Actually, sympathetic points of view were expressed, too, during these conversations. There were moments of understanding and simple human unity. The Czechoslovak MP's expressed genuine sympathy over the recent tragedy of the tank explosion. There was a very warm meeting with Alexander Dubcek, chairman of the Federal Assembly. Both sides expressed satisfaction at the fact that the withdrawal of the troops is going strictly in accordance with the timetable. The Czechoslovak politicians stressed several times that they did not consider the Soviet soldiers guilty of the events of 1968. Those who made the decisions at that time can no longer be called to account. It is a bit too late.

"But I would like to mention another kind of guilt: For 20 years, while the troops were here, nobody imagined that they would one day have to go home, that it would be necessary to build houses for them in normal conditions.

CSFR Claim Soldiers Selling Weapons Denied

PM0702140791 Moscow KRASNAYA ZVEZDA in Russian 6 Feb 91 First Edition p 5

[Article by Colonel P. Chernenko: "Blaming Someone Else..."]

[Text] The CSFR Ministry of the Interior has warned all the country's citizens not to buy weapons and munitions from Soviet soldiers selling or swapping them for various goods.

In this connection I must point out that the Czechoslovak press has of late kicked up a real hullabaloo over "numerous instances" of Soviet servicemen selling weapons and munitions, although all the facts are based on rumor and conjecture.

"I can say with the utmost responsibility," I was told during a conversation by Major General G. Propashchev, acting chief of staff of the Central Group of Forces, "that instances of speculation in weapons by Soviet servicemen are a commonplace canard by Czechoslovak journalists. In the time since the Soviet troop withdrawal from Czechoslovak territory began neither our nor Czechoslovak organs have detected a single case of Soviet servicemen selling arms and munitions. But more than a dozen cases have been recorded of Czechoslovak citizens suggesting that Soviet troops sell their weapons. Some have been caught red-handed, so to speak, and Czechoslovak organs are conducting an investigation."

Soviet-Czechoslovak Banking Pact Signed

LD0202060991 Prague Domestic Service in Slovak 1800 GMT 1 Feb 91

[Text] A Czechoslovak-Soviet banking agreement has been signed in Moscow. From the financial point of view, it deals with the problem of drawing on our trade surplus, which has accumulated from previous years. The signed agreement is a concrete achievement of the talks between the Czechoslovak and Soviet government delegations on trade and economic relations between the two countries.

Discovery of CSFR Gold Deposit Reported

91UF0390A Moscow PRAVDA in Russian 26 Jan 91 Second edition p 7

[Report by PRAVDA correspondent A. Krushinskiy: "A Klondike Without the Fever"]

[Text]Prague—**It turns out that there is a small Klondike only 40 km from Prague. A gold deposit has been discovered in the depths of a hill near the village of Mokrsko close to the Slapy reservoir, and by current standards the reserves are significant.**

Between the Past and the Future

It cannot be said that the discovery here has caused much surprise. People have known for centuries that the hills and dales here, in the center of Europe, hide the precious metal. According to the chronicles, at the end of the 16th century gold-bearing sand was being dug up right here in Prague, on the shores of the Vltava. One of the richest deposits, for example, was only a few steps away from the present building of the national theater near the Charles Bridge.

Zizkov, Zbraslav, Glybocepy—these are the present names of areas in the Czechoslovak capital that were at one time associated with the mines. It is not fortuitous, for example, that in the Middle Ages Prague was one of the centers of "scientific research" activity by the alchemists: on Charles Square in the center of the city there is the "House of Faust," which now serves as a foreign tourist attraction.

But the years passed, and the golden sand of Prague was exhausted and the most fanatical gold prospectors preferred to seek their fortunes across the ocean. Will the new discovery in Mokrsko not lead to a new influx of prospectors? It turns out that it will not. In Czechoslovakia a prospector on his own can do nothing because scientists have determined that only 1.9 grams of the precious metal are found in every ton of ore. You cannot get by here without complex industrial technologies. Because of this, very fierce competition has developed among foreign companies: three Australian, one American-Spanish, and one Anglo-Canadian. But, at the same time, a protest campaign by nature conservationists has also started to grow.

The fact is that recovering the precious metal using chemical technologies threatens to contaminate the environment and—the main thing—the underground water with a number of "somewhat unfavorable" noxious substances, arsenic in particular. For it is precisely here that the potable water sources for the capital are located. Technologies involving mechanical processing were proposed, but they are also dangerous from the ecological standpoint since they produce clouds of dust.

It would seem that the prospects are tempting: If recovery is initiated, then for at least 10 years Czechoslovakia will not need to import gold (the saving here will amount to about $1 billion). This is a not unimportant consideration, particularly now when the country is embarking on radical economic reform. Nevertheless, the decision from the federal ministry of the environment is: Hold off on development at Mokrsko!

The public has assessed this decision as a safe one, for in time safe technologies will appear and this treasure can be preserved for children and grandchildren, or even great-grandchildren. For no one will take the gold from here and carry it off. It is more secure in the depths of the hill at Mokrsko than in the armor-plated safes in the state bank.

Soviet-Czechoslovak Trade Agreement Examined

91UF0355A Moscow PRAVDA in Russian
16 Jan 91 First Edition p 5

[Report on an interview with I. Panteleyev, USSR trade representative in the CSFR, by PRAVDA correspondent A. Krushinskiy in Prague; date not given: "How We Will Trade"]

[Text] Prague—Starting 1 January 1991 our country went over to calculating accounts with CEMA partners in a freely convertible currency at world prices. The change is not simple, and it is painful in many ways. Even when it was just being planned it could be seen that, in a number of cases, ties that had been developed over the decades were being severed. The exaggerated ideas of a number of economists and administrators concerning the possibilities for an immediate reorientation to a Western market have made themselves felt, and the different pace of economic reforms and the drop in production in various European countries are also having an effect.

A natural interest in this connection is evoked by the fact itself of the signing of the Soviet-Czechoslovak agreement on trade-economic relations for 1991—one of the first documents of this kind in Eastern Europe. What did it bring that is new in the mutual relations of the two countries, and what will their trade exchange look like in the new year? I. Panteleyev, USSR trade representative in the CSFR, was asked by PRAVDA correspondent A. Krushinskiy to answer these questions.

"The final stage has arrived in the formation of the legal bases of mutually beneficial economic relations between the two countries on qualitatively new principles," the interviewee remarked. "The agreement signed in Moscow by K. Katushev, USSR minister of foreign economic relations, and V. Vales, deputy chairman of the CSFR government, is very interesting in this respect. To avoid a spontaneous disruption in the economic ties that have been developed, and to furnish both countries with commodities that are really necessary for their economy, the document envisages so-called indicative lists whose composition required a lot of preliminary work. They ensure the maintenance of supplies by the Soviet side of a number of important raw materials: natural gas, iron-containing raw materials, aluminum, magnesium, coal, cast iron, and so forth. After the signing of appropriate contracts, these lists will be turned into firm obligations between the parties."

[Krushinskiy] But what about oil?

[Panteleyev] This question was at the center of attention of the negotiations. The partners, it seems to me, were able to find a solution that satisfies both sides. On this point: In 1991 provision is made for delivery from the USSR of up to 7.5 million tons of oil, including no less than 5.5 million tons with payment in freely convertible currency (without counter deliveries of commodities), and up to 2 million tons with payment by deliveries of equipment designated for the development of the oil extraction industry in the Soviet Union, and partly with other commodities that are of interest to the oilmen.

[Krushinskiy] Ivan Fedorovich, but does this in fact satisfy both sides? Because a number of Czechoslovak newspapers imply a direct dependence between the deliveries of Soviet oil and the success of the economic reform started here, and, moreover, they figure 11 million tons of oil to be a "failure limit...."

[Panteleyev] Economic reform is now being conducted in both countries, and there are differences in the reform in both principles and general features. Here in Czechoslovakia reform is speeding up, although, in my opinion, there are also problems in its implementation. It would be incorrect to tie its success to the deliveries of oil from the USSR, I think. Indeed, for many years the Soviet Union was the main supplier of oil to Czechoslovakia. But under conditions of a market economy—and both

states are striving for its formation—we simply do not have the capability for oil deliveries in the previous volume, which is associated first and foremost with a reduction in the extraction of this raw material.

The amount of oil stipulated in the agreement is rather substantial. Czechoslovakia can fully cover the rest of its import requirements by means of purchases in other countries, with delivery through the "Adria" pipeline. As for specific figures, this is a matter for the Czechoslovak side itself. Finally, it must be kept in mind that the agreement signed in Moscow will not erect barriers to increasing deliveries of Soviet oil. It provides that appropriate Czechoslovak organizations can conduct negotiations at a republic level, as well as at a level of individual enterprises—to sign contracts for the additional delivery of oil....

[Krushinskiy] What will the trade turnover be like in 1991?

[Panteleyev] We still do not know the prices for all commodities, but it can be said now that altogether, including oil, the sum will be about $5 billion. The agreement stipulates that the cost of Soviet exports will exceed imports. Part of this credit will be used to pay off our debt which, according to preliminary calculations, constitutes about R3 billion as of 1 January. Including R2 billion in state credit which was granted in an interdepartmental agreement with repayment after the year 1995.

[Krushinskiy] What commodities of the Czechoslovak side are stipulated in the indicative lists?

[Panteleyev] Primarily machine building products—shunting diesel engines, crankshafts, gear boxes, pumps, and medical equipment—and also furniture, shoes, and so forth.

[Krushinskiy] Taking into account the accomplished and impending work in the perestroyka of economic relations with East European countries, how do you view the future development of Soviet-Czechoslovak cooperation—with optimism or pessimism?

[Panteleyev] The formation of a new system of mutual economic relations, naturally, entails difficulties. The interdepartmental agreement signed in Moscow constitutes, it seems, an important step toward overcoming them and opens up rather extensive opportunities for the development of mutually beneficial exchanges of commodities on a qualitatively new basis. I look to the future with optimism. I am convinced that the CSFR is a very important and useful partner for us, as the USSR is for Czechoslovakia.

Soviet, Czechoslovak TV Stations Sign Agreements

LD1301141991 Moscow Central Television First Program Network in Russian 1800 GMT 12 Jan 91

[From the "Vremya" newscast]

[Text] A memorandum on television was signed between USSR Gosteleradio and Czechoslovak Television in Moscow today.

[Correspondent S. Goryachev] The memorandum was signed by Leonid Kravchenko, chairman of USSR Gosteleradio [State Committee], and Jiri Kanturek, director general of Czechoslovak Television. It envisages the exchange of television programs and journalists and the joint production of news and documentary programmes. The previous agreement, dating back to (?1972), is outdated because of what the memorandum calls the new political and economic relations between the two countries. From now on accounts between Soviet and Czechoslovak television will be handled in freely convertible currency, but the partners do not believe that this will lead to a decrease in cooperation.

[Begin Kanturek recording] I do not think this will happen. In my opinion business considerations take second place. I think we shall manage to continue our cooperation on a high professional level with exchange of news and documentary films. (?This is the decisive thing.) [end recording]

[Goryachev] As the chairman of Gosteleradio stressed during the talks, we are living in an indivisible news world. Cooperation in the area of news exchange should not depend on nuances in political relations between governments. It seems that the memorandum signed today is an example of just such an approach.

Friendship Protocol Signed With Bulgaria

LD0702231191 Moscow TASS International Service in Russian 1705 GMT 7 Feb 91

[Excerpts] Moscow, 7 Feb (TASS)—In Moscow today a protocol was signed on cooperation for 1991 between the Union of Soviet Societies for Friendship and Cultural Links with Foreign Countries, the Soviet-Bulgarian Friendship Society, and the Bulgarian-USSR Friendship Federation. [passage omitted]

The document signed envisages an exchange of information in the spheres of economy, science, and culture. [passage omitted]

USSR Criticized Over Bulgarian Gasoline Shortage

PM0801154791 Moscow PRAVDA in Russian 5 Jan 91 Second Edition p 7

[Report by PRAVDA correspondent L. Zhmyrev: "Gasoline Crisis In Bulgaria"]

[Text] Sofia—The firm "Petrol," which distributes fuel, has announced a two-week moratorium on the sale of gasoline. The decision was preceded by a chronic shortage of fuel. In Sofia people were prepared to pay 10 times the going rate for a can of gasoline.

Many people celebrated koleda (the Bulgarian Christmas) and the New Year waiting in line at gas stations. On the first day of the new year D. Popov's government hastily reviewed the situation. A number of decisions were made, including, as DUMA writes, not without a touch of irony, the establishment of a gasoline quota for members of the cabinet—80 liters per minister per month.

The actions of the "Petrol" bosses in declaring a gasoline moratorium were seen by the government as a "blow below the belt." They had not been agreed with the Council of Ministers. For its part, the leadership of the petrochemical combine in Burgas, which produces the lion's share of all fuel, said that because of a regular oil shortage the combine is producing only one-tenth of the gasoline that is required.

The dire gasoline shortage is accompanied by occasional criticism of the Soviet Union. As Minister I. Pushkarov said, last year the USSR supplied Bulgaria with an average of one million tonnes of oil per month, but supplied only 243,000 tonnes in December. The newspapers publish reports on practically every oil tanker bound for Burgas.

Is the criticism fair? The Soviet side has repeatedly stated that the reduction in supplies is due to the mounting economic difficulties in the USSR and the rising cost of oil extraction and transportation. It has "fed" Bulgaria very generously for many years—under the 1990 contract alone supplies amounted to 11.5 million tonnes. Like other raw materials, the oil was delivered to Bulgaria, as it was to the other CEMA countries, at prices considerably lower than world prices. Bulgaria has saved billions of dollars every year on Soviet supplies.

As for the present situation, claims that the USSR has decided to "teach Bulgaria a lesson" are untrue.

This is contrary to the facts. A delegation from the new Bulgarian Government went to Moscow just before the new year. An accord was reached on deliveries of around 6.5 million tonnes of oil from the USSR in 1991. This is considerably less than last year's figure, although the Bulgarian side will pay not in dollars, but in reciprocal deliveries: machinery, electronic equipment, canned goods, and so on. Deputy Prime Minister A. Tomov, on his return to Sofia from Moscow, described the agreements reached in the Soviet Union as a "tremendous success for Bulgaria."

In connection with the "gasoline shortage," people are now saying that it will be surmounted when the Grand National Assembly adopts a law on privatization. Only then, they say, will the signs of the world-famous Western firms "Shell," "Mobil," "Esso," and others appear on highways and pumps. And, they say, they are the ones who know how to organize things.

All this is an illusion, of course, a dream of an easy path to the market. Life is more difficult than that. Bulgaria can solve the "gasoline" or, to be more accurate, fuel problem by radically transforming the economy.

Three Bloc Ministers Meet in Budapest

PM2901134391 Moscow IZVESTIYA in Russian 24 Jan 91 Union Edition p 5

[Report by F. Lukyanov: "Fate of Warsaw Pact Is Being Decided"]

[Text] Budapest—As the mass media repeatedly stressed on the eve of the Budapest conference, it was the first time that the foreign ministers of the three countries which are still members of the Warsaw Pact but which have announced their intention to review their membership—G. Jeszenszky (Hungary), J. Dienstbier (Czechoslovakia), and K. Skubiszewski (Poland)—had met to elaborate common approaches toward the main international events without the participation of the other representatives of that military-political alliance.

Actually, what was initially planned for the start of this week in the historic Hungarian city of Visegrad was a meeting not of foreign ministers but of Polish President L. Walesa, Czechoslovak President V. Havel, and Hungarian Prime Minister J. Antall. But for various reasons, including differences on some issues, the meeting, which had already been delayed, did not take place this time either. But, it was stated, in all likelihood unless something unforeseen occurs it will be held in late February. No more specific date was reached even at the ministers' personal meeting.

It must be said that both the planned meeting of the presidents in Visegrad and the conference of ministers in Budapest have recently given the press considerable fodder for all kinds of speculation. Including as to whether Budapest, Prague, and Warsaw, which have taken the lead in reforms compared with the other countries of the former "Soviet bloc," have decided to create something like an alternative "tripartite union" designed to overcome "Moscow's gravitational force."

Is the tripartite rapprochement which began several months ago on an economic and financial basis with the agreement of questions regarding the transition to a market economy and integration into European institutions really coming to the unwinding of the bloc? For their part the representatives of Hungary, Czechoslovakia, and Poland repeatedly denied the suggestion that tripartite relations are developing in this way. Czechoslovak Foreign Minister J. Dienstbier repeated once again on the eve of the Budapest meeting that Prague for one does not want to create a new closed bloc and will not sign an agreement which would tie its hands. Hungary's representative—Foreign Ministry state secretary T. Katona—noted on this subject that in no way would it be sensible to forge a bloc from the three countries at a time when bloc policy in Europe is being replaced with a system of collective security. So talking about what final forms the rapprochement of Prague, Budapest, and

Warsaw will assume when there are contradictions between them would be premature for the time being.

To all appearances the discussion of the situation in the Baltic occupied a central place at the meeting of the Hungarian, Polish, and Czechoslovak foreign ministers. In the joint communique the ministers voiced deep concern over the situation which has taken shape in the Baltic and stressed that "the attempt to reverse the peaceful transition to democracy and a rule-of-law state" threatens stability in Central and Eastern Europe. At the same time, the sides voiced their understanding and support for the aspirations of the Baltic peoples and believe that the conflict must be settled without further use of violence, through dialogue with the republics' elected organs.

At the news conference the ministers were literally inundated with questions about the situation in the Baltic, including about the likelihood of any interference by Moscow in the affairs of other countries.

"In Europe and the Soviet Union itself the situation today is not such that Moscow would want to implement any aggression against Central Europe," J. Dienstbier stated on this score and added that the question of Czechoslovakia's withdrawal from the Warsaw pact is not a new one and is not connected with the Baltic problem.

Nonetheless it was probably obvious to an attentive observer that the activation of the question of withdrawal from that organization by Czechoslovakia, previously distinguished by its quite restrained stance with regard to the Warsaw pact, took place just after the events in Vilnius and that the Czechoslovak legislature has urged the government to accelerate talks on withdrawal from the Warsaw Pact and on the Pact's dissolution precisely after the discussion of the situation in the baltic

Perhaps the clearest rapprochement of the three sides, which used to differ markedly in their approaches, was with regard to the Warsaw Pact. That applies particularly to the stance of Poland and Czechoslovakia. Thus, the communique stresses that the foreign ministers, according to the desire expressed by their governments and legislatures, insist on the speediest dissolution of the Warsaw Pact and in their opinion it would be desirable to dissolve the Warsaw Pact military organization before the previously agreed deadline, that is before 1 July 1991. The complete dissolution of the Warsaw Pact on the basis of the member countries' common decision is planned before the end of this year, at least before March 1992 that is before the start of the new all-European conference in Helsinki.

A special question is the holding of an extraordinary conference of the Political Consultative Committee, which has also repeatedly been deferred at the request of the Soviet Union and at which it was planned to take important decisions on re-forming the Warsaw Pact. In this connection the three countries' ministers deem it essential that a Political Consultative Committee conference take place before the end of February this year, otherwise, they say, the schedule for the reform of the Warsaw Pact is being blatantly disrupted.

Thus the three Warsaw Pact countries' attitude was determined toward that organization about which the Czechoslovak foreign minister stated that the peoples of the Central European countries could not say that it had served their greater security. Nor to all appearances is it any accident that the ministers linked the plans to dissolve the Warsaw Pact military organization with the completion of the withdrawal of Soviet troops from the territories of Czechoslovakia and Hungary.

As for the withdrawal of Soviet troops from the East European countries, the ministers also discussed that question, stressing the importance of the fact that the withdrawal is continuing according to schedule. It is true that Polish representative Skubiszewski noted certain difficulties at the talks which have begun on the withdrawal of Soviet troops from Poland.

Considerable attention was also paid at the foreign ministers' meeting to the situation in the Persian Gulf. I recall that the three countries are united by the fact that their representatives, albeit symbolically, are taking part in the events which have been played out in the Persian Gulf on the side of the multinational forces of the anti-Iraqi coalition. In this connection the meeting in Budapest once more voiced its denunciation of the Iraqi aggression against independent Kuwait.

As the press has repeatedly reported, the problem of the possible influx of Soviet refugees if the USSR adopts the law on exit is seriously alarming our neighbors today, including the East European countries. This was stated again at the conference of leaders of the foreign policy departments of Hungary, Poland, and Czechoslovakia, who coordinated their positions. As of today, as has been stated, these countries' position is this: The introduction of a visa regime with regard to the USSR is so far not planned and if some measures are taken then they will be of a financial rather than administrative order.

Troop Pullout Differences With Hungary Continue

PM1401102591 Moscow IZVESTIYA in Russian 12 Jan 91 Union Edition p 5

[Report by F. Lukyanov: "Troops Withdraw, Problems Multiply"]

[Text] Budapest—With the start of the new year the Soviet troop withdrawal from Hungary has entered its concluding phase. Around 40 percent of the Southern Group of Forces and roughly as much combat hardware will have to be withdrawn by the end of June. Regrettably, however, the problems are multiplying. This was mentioned for the umpteenth time at a meeting between the legislative delegation headed by L.V. Sharin, acting

chairman of the USSR Supreme Soviet Committee for Defense and State Security Questions, and the Southern Group of Forces command.

Unfortunately, it has still not been possible to settle property and finance questions with the Hungarian side. The Soviet side would like to obtain compensation for those installations on Hungarian territory which have seen a considerable investment of money over the course of many years—today this investment is put at 2.5 billion rubles [R]. The compensation obtained in this event would be used to buy construction materials and equipment in Hungary to equip new garrisons, which would naturally make it easier to redeploy Southern Group of Forces units. The Hungarian authorities have put forward reciprocal demands for environmental and other damage to be made good, counting on a "zero option"—that is, the two sides' claims canceling each other out. As a result, a stalemate has emerged. Admittedly, of late there have been certain shifts at the talks, as I.P. Aboimov, USSR ambassador to Hungary, stated at the meeting.

The scale of the claims being made by the Hungarian side exceeds R1 billion, of which approximately half represents an amount to cover environmental damage. Thus, and in the event of these claims being accepted, there will still be a difference of around R1.2 billion—a sum which the Soviet side is entitled to receive. Incidentally, the Soviet trading debt to Hungary—the immediate payment of which the Hungarian side is actively seeking—is approximately the same.

Yet there are still substantive differences. Hungary, for instance, continues to insist on accounts being settled after the final troop withdrawal and is refusing to gradually pay compensation, as the Soviet side would wish.

Meanwhile, apart from the previous problems associated with the Southern Group of Forces, quite new problems are appearing, too. As is well known, as of this January Hungary and the USSR have switched to hard currency and world prices in their reciprocal trade and economic settlements. This means that now all accounts with the Hungarian side connected with the presence of the Southern Group of Forces will also be switched to hard currency. Whereas in the FRG the upkeep of our troops has been undertaken by the federal government, there are no plans to do this in Hungary. It is not ruled out that the already very tight timetable for the withdrawal of Southern Group of Forces troops to the motherland will be compressed still further, which would in turn require even greater efficiency in solving all the problems that emerge, above all, as regards the provision of housing in the areas where the troops are to be redeployed. Currently the situation in those parts of Belorussia and the Ukraine where the Southern Group of Forces subunits are withdrawing to is very complex, according to deputies who have just returned from the area.

PRAVDA Reports on Problems

PM1101153591 Moscow PRAVDA in Russian 11 Jan 91 First Edition p 4

[Report by PRAVDA correspondent V. Gerasimov under the general heading "From the East European Countries": "Under the Control of People's Deputies"]

[Text] Budapest, 10 Jan—The units of the Southern Group of Forces are leaving Hungary on schedule.

"Some 70 percent of ground forces and over 60 percent of the materiel have already been sent home," Lieutenant General V. Shilov, commander of the Southern Group of Forces, said.

In connection with the withdrawal of the units, deputies from the USSR Supreme Soviet and from a number of Union republics and representatives of ministries and departments have arrived in Hungary. The delegation, headed by by L. Sharin, acting chairman of the USSR Supreme Soviet Committee for Defense and State Security Questions, is called on to help in resolving the problems that arise. One problem is that because of the switch to payments between the two countries in freely convertible currency, the cost of keeping the remaining units is rising as is the cost of transportation operations [perevozki].

How satisfactory is the withdrawal schedule? How ready are some republics to receive these units? The delegation will have to answer those questions.

It has been decided to set up 15 joint ventures at the facilities that are remaining. But in fact only one can be talked about at all seriously—the technical and financial validation documents have been received. Which Soviet departments are to blame for the delay? Why is there no entrepreneurial interest?

The problem of payment for the facilities being left behind remains unresolved. Around 100 military camps complete with apartment blocks, clubs, and schools, three airfields, and storage premises worth in all 1.2 billion rubles have already been handed over to Hungarian representatives.

From the beginning of the units' withdrawal the Soviet side has been insisting on payments for each facility left behind. The Hungarian side insists on payment after the complete withdrawal and is demanding the restoration of the environment, the payment of various fines, and accounting for grants. The Southern Group of Forces believes that it is necessary to seek a compromise. For example, by producing interim accounts.

Resettlement Problems Affect Pullout

PM1401103091 Moscow KRASNAYA ZVEZDA in Russian 11 Jan 91 First Edition p 1

[Report by correspondents Colonel A. Belousov and Lieutenant Colonel A. Borovkov: "Not All the Problems Are Resolved"]

[Text] The tight schedule for the withdrawal of Soviet troops from Hungary, set by the bilateral intergovernmental agreement of 10 March of last year, has gone without a single hitch. Such was the main conclusion of members of the USSR Supreme Soviet Committee for Defense and State Security Questions and of the military council of the Southern Group of Forces, made at a working session on 9 January.

Reports by Lieutenant General V. Shilov, USSR government representative for the temporary stationing of troops in Hungary and their withdrawal, Major Gen. I. Mikulin, member of the military council and chief of the group's political directorate, Maj. Gen. V. Rudakov, deputy commander of the Southern Group of Forces responsible for the construction and billeting of troops, and other officials, noted that for almost a year there have been daily departures home of troop trains and transports from the Hungarian Republic. By the end of April, 90 percent of the grouping will be on Soviet territory and about half of the camps will already have been handed over to the Hungarian side.

The Southern Group of Forces command is concerned by the problem of the accommodation and social welfare of its troops in their new stations. Maj. Gen. Mikulin noted in particular that the previous visit of legislators to the group of forces (in June of last year) changed little in this respect. The majority of officers' and warrant officers' families are waiting for temporary accommodation. Up until now, questions of financial and property settlement have not been resolved on the Hungarian side. It is hardly possible to rebuke the Southern Group of Forces command for this, as many of their initiatives and appeals to the leadership of the Hungarian Republic in this matter have in effect not received concrete replies.

One of us asked I. Aboimov, USSR ambassador extraordinary and plenipotentiary to Hungary, who was taking part in the session, about the possibility of the embassy resolving these questions. Ivan Pavlovich replied that the problems of mutual settlement had been entrusted to the governments' representatives, but this does not mean that the Soviet embassy is distancing itself from them. Many positive steps have been taken, though the results leave much to be desired. The main question—that of settlements—has not been resolved.

The Hungarian side insists on a "zero" option. Its official recognition of its readiness to pay us for the facilities we are leaving, has for the moment in no way been reflected in concrete results. In the ambassador's opinion, one significant achievement was the future secured for accords on compensation for ecological damage (at first the sums were simply astronomical) and the creation of joint enterprises based on facilities being left behind by us.

"The question now," I Aboimov went on to say, "is what should we do? Not much time remains, and before the final withdrawal of troops the settlement should be made. I think that we have the means to defend financial, property, and state interests."

In the afternoon, people's deputies—representatives of ministries and departments—met with servicemen and inhabitants of the Southern Group of Forces garrisons and studied local issues.

Relations Between Hungarian, Soviet Military Viewed

LD2701195191 Moscow International Service in Hungarian 2000 GMT 26 Jan 91

[Text] Hungarian Defense Minister Lajos Fur has stated that Hungary strives to develop good-neighborly relations with the Soviet Union in every field. In the statement he gave to NEPSZABADSAG, he highlighted in particular the need to expand cooperation in the military field, indicating the possibility of concluding an appropriate agreement. Moscow Radio's military observer, Vadim Solovyev, writes the following in connection with this.

It might seem that the Hungarian minister's statement stands in direct contradiction with the opinion now widespread in regard to the future military relations of the East European countries. The centrifugal tendencies within the Warsaw Pact prompt many observers to predict the early end of the Warsaw Pact. But life shows that it would be premature to draw definitive conclusions. The Warsaw Pact is in a state of transformation. Sometimes it even goes through very painful movements. But it is precisely through these that new forms come into being, that the Warsaw Pact is recharged with new elements and becomes liberated from structures (?of idealism).

During the 25 years of the Warsaw Pact's existence, the leading role in it of the Soviet Armed Forces was universally recognized. In spite of this, the relations of the partners was built in the spirit of military comradeship, in other words, on wide-scale cooperation in numerous directions of military activity. When the situation in Europe changed—and let us note that it did so with a decisive role by the Soviet Union—these two factors were manifest. Every single national army's endeavors for independence from the outset determined the centrifugal tendencies in the Warsaw Pact. This can be compared to when a pliable surface is bent in one direction, then suddenly released. In this case, it falls in the opposite direction. But the relations that have evolved between the armies over decades definitely straighten out bends of this kind. In other words, in the atmosphere of the new kind of interstate relations, radical statements to the effect that the Warsaw Pact has outlived its time are replaced by sober deliberations, since people are becoming aware of the fact that the relations must be further safeguarded. I believe that the armies of the East Europen states and the Soviet Union have now approached this phase of mutual relations.

On what bases will these relations develop further, asks our military observer. This is his reply: Mainly, I think, on the basis of those relations which have stood the test of time. For example, the Soviet and the Hungarian armies have been and are carrying out joint undertakings. There are no longer any joint military maneuvers, but there are reciprocal visits and an exchange of experience in numerous areas of military activity. This year alone they are planning more than 10 such visits.

Now we hand over to Lieutenant General Vladimir Molchanov, spokesman of the USSR's Defense Ministry:

[Molchanov, in Russian with superimposed Hungarian translation] I visited Hungary on more than one occasion and I took part in the implementation of those agreements which exist between our Armed Forces and which bind them to one another. Now, when the standpoint of Czechoslovakia, Hungary, and Poland is clear as regards the Warsaw Pact, when the decision on the fate of the Pact is only a question of time, it is entirely understandable that the states are interested in the creation and development of bilateral military and political relations. We know that the Czechoslovak and Hungarian defense ministers have signed a bilateral agreement on military cooperation. According to the signs, if they turn to us with a similar request, the Soviet Defense Ministry will examine it with full attention. One thing is important here: The endeavor for military cooperation should be sincere, should take mutual interests into consideration, and should be manifold and active.

Once against, here is the opinion of our military observers:

The situation that is evolving is not only characteristic of the military relations of the Soviet Union and Hungary. I recall that last year, at the meeting with the chief of staff of the Czechoslovak Army, he raised the idea that military relations between our countries will continue to exist for the foreseeable time. I wonder whether the Warsaw Pact has really outlived its time as much as all that? Processes are taking place within its structure, for example those within CEMA, and in the economic cooperation of the East Euroepan states as well. Both there and here, after the separation, we are again becoming convinced that integration must be maintained, but on new qualitative bases. This is not just somebody's whim; this is life's demand.

Poland Obstructs German Aid Transit

PM1202133191 Moscow PRAVDA in Russian 8 Feb 91 Second Edition p 4

[Article by Lieutenant Colonel V. Nikanorov under the "We Report Details" rubric: "Transit Passions: Why Aid Is Being Held Up on German-Polish Border"]

[Text] There is no secret here. Despite their army origin, the trucks were loaded with what was by no means military freight but the most peaceful goods—food, medical apparatus, and medicines. All this was collected by the bundeswehr servicemen within the framework of the campaign conducted in the FRG to render humanitarian aid to the Soviet Union. Until recently the trucks themselves belonged to the GDR National People's Army. The FRG Defense Ministry has kindly supplied them together with their freight as a give to the Russian Orthodox Church. The barrier was brought down in front of this convoy most likely because it is bound for the East and Soviet servicemen are at the wheel (at the church's request the USSR Defense Ministry assigned experienced drivers to these trucks—mainly from among the extended-service servicemen of the Western group of forces).

The Polish side's demands on the terms for the passage of this convoy have grown like an avalanche. Initially the Polish customs and border service insisted on concluding insurance contracts for all the trucks, freight, and people escorting it with the corresponding payment of a substantial sum—about $50,000. The addressee simply does not have such currency reserves. Considerable efforts were required on the part of the Soviet Embassy in the Republic of Poland and also on the part of Patriarch Aleksiy of Moscow and All-Russia in order with the aid of the Polish Episcopate, to try to find a way out of the bureaucratic impasse. It seemed it had been found. With the aid of the German "Caritas" organization the convoy was registered as a charitable one, which seemed to give grounds for letting it pass along Polish roads free of charge.

The Polish bureaucrats' other demands were also met—the insignia of the charitable organization were put on the vehicles, the drivers changed into civilian clothes, and weapons, to which the Polish side objected, were not in their possession from the outset. Those escorting the convoy also agreed not to travel all together but to cross the border in groups of 20-25 vehicles every two hours.... In brief, there was no shortage of good will. Nonetheless when early on the morning of 31 January the convoy approached the border yet again, there again surfaced the deliberately unfulfillable demand for the payment of insurance. "They are operating with the watchword 'pay us, boys, and we do not care about the rest,'" was the angry comment of an officer from the USSR Defense Ministry coordinating the armed forces' assistance to the charitable organizations.

Indeed, for this is not the first instance. Last month Polish border guards stopped and sent back to Germany a supply train in which about 200 Soviet servicemen were traveling back home from the Western Group of Forces. The reason? The Polish side's increased and blatantly unacceptable demands for payment for transit across that country's territory. The desire of certain influential circles on the Wisla to earn large amounts from the Soviet troops' withdrawal from German territory is thus being embodied in practice. The press has reported that transit across Polish territory by one train will cost almost $20,000 while for one military transport truck with freight the cost will be over $200.

But is it only commercial considerations which lie at the basis of the actions of those who are bringing to a halt the Soviet supply trains and motor convoys traveling across Poland? They are now trying to use transit as a kind of lever at the Soviet-Polish talks on the withdrawal of Soviet troops from the territory of the Republic of Poland. The Polish side insists that all servicemen of the Northern Group of Forces return home by the end of this year. A demand which is frankly unrealistic if only from the technical viewpoint. Well, how can over 56,000 men be withdrawn in such a short time, not to mention the combat equipment and other property? It is worth recalling that it is planned to withdraw the Belgian contingent, which is half the size, from FRG territory calmly and gradually, over the course of a whole five years. Surely Soviet people are worthy of just as much respect as the Belgian servicemen? Who is interested in the Soviet servicemen feeling like uninvited guests now on the land which they liberated five decades ago, shedding their own blood in abundance?

During the meeting in Warsaw last month between Soviet and Polish legislators it was noted that the problem of the Soviet troops' withdrawal from Poland requires mutual understanding and prolonged talks and agreements. The Soviet participants in the meeting, relying on the experience of the withdrawal of troops from Hungary and Czechoslovakia, noted the unrealistic nature of the deadlines proposed by the Polish side. Neither the Soviet nor the Polish side is ready for that. The following example was cited at the meeting: Several months ago the Northern Group of Forces handed over three military townships to the Polish authorities. They now have a neglected look. It emerged that the legal documents had not been elaborated for the procedure for the acceptance of such establishments by the local organs of power.

Nonetheless the facts attest that the Polish side has not abandoned its desire to put forward particular terms which would prompt the USSR "unhesitatingly" to sign an agreement on the withdrawal of its troops. Obviously the convoy with charitable aid which has gotten stuck on the German-Polish border is a victim of this desire. We were told at the Moscow Patriarchate, it is planned to divide this freight among the Catholic, Georgian, and Armenian churches and other religious organizations. The bulk is intended for monasteries and eparchies of the Russian Orthodox Church.

"We hoped," Archpriest Vladimir said, "that the Poles would display the same humaneness as has been displayed by the Germans, the USSR Foreign Ministry and Defense Ministry, and the Western Group of Forces in rendering us aid in delivering the charitable freight. Alas, we were wrong."

Yes, from the formal viewpoint the Polish authorities' demands seem fair. But from the purely human, humanitarian viewpoint? All this is not human, not neighborly, not godlike, finally.

Aid Convoy Reported in Poland

PM1202161591 Moscow PRAVDA in Russian 9 Feb 91 Second Edition p 1

[TASS report from "The World and Politics in the Last 24 Hours" column]

[Text] The first trucks of the ill-fated convoy carrying FRG humanitarian aid for the Russian Orthodox Church crossed the German-Polish border at Olszyna this morning and are now moving through Poland. It will take the convoy two days to reach the Soviet border. Soviet officers and men, and the Russian Orthodox Church priests accompanying the convoy, had to spend two weeks sleeping in tents in sub-zero conditions, until the Polish authorities finally let them in.

Polish Leader Seeks To Trim Government Powers

PM0802111991 Moscow IZVESTIYA in Russian 29 Jan 91 Union Edition p 5

[Report by correspondent L. Toporkov: "President Walesa in Action. Changes to the Polish Political System?"]

[Text] Warsaw—Much is being said in Warsaw about how Poland's present political system—which, since overcoming totalitarianism, has proclaimed itself to be a system of legislative democracy and has made considerable achievements in a short space of time—is now inclined, since Lech Walesa's election victory, "to betrayal and change."

T. Mazowiecki's style—democratic, calm, and considered—is being abandoned. Not least—as J. Tarkowski, a political scientist from Warsaw University, points out in his article "Semi-Democracy?" (GAZETA WYBORCZA of 22 January)—because all changes are being made not so much on the basis of society's needs as to suit a specific person with his own character and way of thinking.

It seems that the present Polish head of state does not like the traditional division of power between president, government, and legislature. He is creating new bodies under the president which are not only going to duplicate legislature and government but will essentially be the main centers of power. These bodies include the president's Political Council, which will incorporate some 200 figures representing various political groups and trends. This council is already referred to as a kind of "Politburo" or "super-legislature." The president's press spokesman, A. Drzycimski, says that the Political Council is to "free the government from running day-to-day politics." In other words, that is its main task.

There is no doubt that the premier's role is going to be devalued. This was even apparent several days before President L. Walesa nominated L. Bielecki for this post. It was said at the time that "virtually the entire government is ready"—in other words, the cabinet had been formed before legislature had approved the premier. It is

now clear that the political center is being moved to the president's Belweder Palace.

The new head of state has been concerned from the very beginning to strengthen his position organizationally and structurally: Henceforth, the presidential office is expected to play a vast role in state affairs. A strictly bureaucratic body, so to speak, in the past, it is now turning into a "super-government." L. Walesa has placed his closest associate, Senator J. Kaczynski, at the head of the presidential office, putting him on the same footing as the vice premier.

The head of the presidential office has increased his apparatus to 200 people, including several of state ministerial rank who have parallel responsibilities to ministers in government.

GAZETA WYBORCZA predicts the appearance of a "super-arbiter" which will crush legislature beneath it, and a transition to government by decree and direct interference in local matters.

In the meantime, the president is signing his first decree: to introduce taxation on earnings in the state sector of the national economy (it does not affect the private sector). This taxation will, as workers explain, hit those who are trying and who would like to earn a good wage but is seen by the authorities as "an instrument to fight inflation."

In conclusion, here are some lines from an official information report: "Leaving the Belweder on Tuesday, the president met a picket of people from Sieradz. They were protesting the new decree. Talking to them, the president reminded them of the difficult situation in the Polish national economy."

As he was once a militant striker himself, one wonders what thoughts could have been running through Lech Walesa's head. Did he try to put himself in the picketers' place?

Agreement on Pullout From Poland To Take Time

PM0802153591 Moscow SOVETSKAYA ROSSIYA in Russian 8 Feb 91 First Edition p 5

[Report by TASS correspondent V. Runov for SOVETSKAYA ROSSIYA: "Haste Is to Everyone's Detriment. Problems of the Soviet Troop Withdrawal From Poland"]

[Text] Soviet-Polish talks on conditions for the withdrawal of Soviet troops from Polish territory began under T. Mazowiecki's government. Both sides then realized the gravity of the problem. That may be why the mass media's propaganda onslaught was not so strong at that time. The situation has changed now.

Quite recently the Polish president's press spokesman, A. Drzycimski, said at a news conference that 59 Soviet divisions, against which Poland can only put up 13, are stationed on the country's eastern border. Speaking about the problem of withdrawing Soviet troops from Polish territory, he noted that the talks on this subject are quite difficult since they are encountering resistance from the Soviet side. He also displayed extreme concern over the transit of troops from Germany, believing that, given the worsening situation in the USSR the Soviet command may lose control over its demoralized troops when a large number of troop trains pass through Poland.

The population is being told that the troops' transit may inflict tremendous material damage on the country since Poland will be the last oasis on the way home for Soviet troops returning from wealthy Germany, therefore cases of theft and even looting are not impossible. But if such problems do arise—and there is quite a real risk—a somewhat higher price should consequently be demanded. By 1994 more than 370,000 servicemen—including members of their families this figure rises to 900,000—are to pass through Poland. The Polish side is counting on receiving several billion dollars in return for the transit of people and arms. What is more, money has to be earmarked for repairing highways and building bypasses around cities and settlements.

It is natural that this kind of information is having quite a severe effect on the Poles. According to Colonel S. Golebiewski, who works in the bureau of the Polish Government's special mission dealing with questions of Soviet troops' sojourn in Poland, brutal attacks on Soviet soldiers in cities and localities where Soviet Army units are stationed have become more frequent. Whereas previously cases of this kind were spontaneous, of late there have been considerably more of them.

A decision in principle has already been adopted regarding the Soviet troop withdrawal from Poland. This problem can only be resolved on the basis of mutual understanding. Quite recently, speaking at his first news conference, the new chairman of the Polish Council of Ministers, J.K. Bielecki, reaffirmed his former stance on the withdrawal of the Soviet troops on the country's territory and their transit through Poland from Germany. In his opinion, this question should be regulated in accordance with the principles of international law and on the basis of precisely worded treaties and agreements determining the means of and procedure for withdrawing Soviet troops from Poland. But he confirmed the old withdrawal dates.

It is becoming clear that it is not only the Soviet but also the Polish side that is not ready for the troop withdrawal. Five months ago the Northern Group of Forces handed over three military camps to the Polish authorities. They now look quite pitiful, the buildings are half-smashed and ruined. It transpires that the legal documents and transfer procedure were not worked out, resulting in confusion and ultimately material losses. The principles for the evaluation of installations, various payments, and the system for paying damages have not yet been agreed.

At the same time the Polish side refuses, to put it mildly, to understand our problems, as other countries are doing. A vast army cannot break away from its old haunts overnight. Time is needed to prepare a sound legal basis for this complex operation.

Deputies Visit Poland, Discuss Troop Withdrawal

PM1001161691 Moscow KRASNAYA ZVEZDA in Russian 9 Jan 91 First Edition p 1

[Report by correspondents Colonel A. Belousov and Lieutenant Colonel A. Bugay from the Northern Group of Forces under the rubric "Direct Line": "Let Us Not Repeat our Mistakes"]

[Text] The arrival of the people's deputies in Legnica coincided with the Polish side ceasing the day before to supply the Northern Group of Forces' formations and units with food. As Colonel General V. Dubynin, commander of the group of forces, explained, the USSR Bank for Foreign Economic Activity did not provide the Polish intermediary firm "Marko" with payment for the food in good time, giving as its reason difficulties with hard currency. The men will not go hungry: Canned foods will come to the rescue. But this episode demonstrates that a lack of coordination of various departments' activities, when called on to carry out a common task, has a negative effect on the provision of normal living conditions for the troops abroad.

The commander spoke anxiously at the military council about the forthcoming withdrawal of Soviet troops from Poland. How will it go? The mass media are coming out strongly for the quickest possible withdrawal of Soviet troops from the republic, before the end of the current year. Furthermore, the Polish side insists that our units' transit from Germany across the Republic of Poland take place after the Northern Group of Forces' withdrawal. Incidentally, the Soviet side has already been refused passage for some 30 trains carrying a motorized infantry division which is ready to leave Germany for home. According to military specialists, if the demands of the Polish side in these matters are fulfilled, we will suffer great losses. Therefore, until the Western Group of Forces' units and formations are withdrawn, it is not expedient to talk about withdrawing the Northern Group of Forces. We must not repeat the mistakes we made in signing agreements with Hungary and Czechoslovakia. Will this opinion be taken into account when signing the Treaty on the Withdrawal of Soviet Troops From Poland? Will not the signing of the document drawn up for this be a "Pyrrhic victory"? After all, as the Polish press attests, it is reckoned that a profit of some $10 million will be made here from the withdrawal of the Northern Group of Forces alone.

Does this treaty stipulate the payment of compensation for the buildings and installations erected by Soviet people during their stay on Polish soil? Experience tells us that at the moment no mechanism has been devised to hand over such facilities to the Polish state organs of power or to self-government organs. Thus as a result of the redeployment and withdrawal of units from the small camp at Swidnica, some 375 apartments have become free, which the Northern Group of Forces command has been ready to hand over to the Polish side since September of last year. Alas.... After visiting Swidnica, the group of deputies satisfied itself that the Soviet side is suffering great losses through maintaining and guarding these unoccupied buildings.

Meetings of people's deputies, headed by S. Golovin, B. Vare, and V. Niyazmatov, with officers and warrant officers of other garrisons took place on 7 January. Also legislators led by L. Sharin, acting chairman of the USSR Supreme Soviet Committee for Defense and State Security Questions, met with Legnica Voivod A. Glapinski, Sejm deputies, and Polish senators.

TV Fuels 'Unnecessary Passions' Over Troops

PM1401152791 Moscow KRASNAYA ZVEZDA in Russian 11 Jan 91 First Edition p 3

[Report by Lieutenant Colonel F. Martinkevich: "Why Alarm the Public?"]

[Text] Northern Group of Forces—On the eve of the third round of the Soviet-Polish talks on the question of the presence of Soviet troops in and withdrawal from the Republic of Poland the first channel of Polish television showed the program "Guests." Participating in it were Brigade General Z. Ostrowski, plenipotentiary of the Polish Government for matters of the Soviet troop presence; Division General S. Fryn, plenipotentiary of the Ministry of Defense for matters of the Soviet troop withdrawal; and T. Pokrywka, president of Legnica.

During the debate Brigade Gen. Z. Ostrowski reminded viewers that the Soviet troops are in Poland on the basis of the 1956 intergovernmental agreement. In his opinion, the time has come to revise and seriously alter the agreement, which "governs the presence of the Northern Group of Forces in Poland, since fundamental political and economic changes have occurred in the country." In addition, the Polish leadership insists on the full withdrawal of Soviet Army units from the country before the end of 1991, although, in the opinion of Generals Z. Ostrowski and S. Fryn, this is an unrealistic deadline.

The most tendentious statement during the debate was made by T. Pokrywka, president of the city of Legnica, where the staff of the Northern Group of Forces is located. The society of the gminas (administrative-territorial units) on whose territory the Soviet units are stationed—he heads the society—has demanded that the government first conclude with the USSR a treaty on a Soviet troop withdrawal from Poland and only then sign a new agreement on their temporary presence in the country. At the same time, the president of Legnica declared that all the installations (with the exception of those of interest to the Polish Army) which will remain after the withdrawal of the Northern Group of Forces

must be placed at the disposal of gminas and cities (1,157 apartment blocks, 2,440 barracks, and 2,700 other installations). Moreover, the commissions of these gminas and cities have already adopted a decision to make inventories of the installations used by the Northern Group of Forces, because, according to T. Pokrywka, "the Soviet representatives are not to be believed."

Maybe T. Pokrywka himself felt that he had "gone too far" in the heat of the polemic. In order to rehabilitate himself, he pointed out at the conclusion of the program that the Soviet citizens who are or have been earlier in Poland have made many acquaintances there. Therefore, in his opinion, the Soviet Army troops will leave, but the friendship and contacts among people will remain. But why, then, kindle unnecessary passions, alarm public opinion, and, in point of fact, destroy the good relations between the Poles and the Soviet servicemen, of which T. Pokrywka spoke so handsomely?

Official Interviewed on Trade With Poland

AU1601135391 Warsaw RZECZPOSPOLITA (Economy and Law Supplement) in Polish 8 Jan 91 p 1

[Interview with Vladislav Malkevich, chairman of the USSR Chamber of Commerce and Industry, by Andrzej Zielinski, place and date not given: "Without Rubles or Zlotys"]

[Text] [Zielinski] Mr. Chairman, as of 1 January we settle our trading accounts in convertible currency, but not everyone is happy about that.

[Malkevich] Adopting convertible currency as the medium of settling accounts is a healthy phenomenon, and although it will cause painful problems for some enterprises initially, it will nevertheless relieve them of burdens, permit a demonopolization of economic activity,and make trading links more convenient and effective.

We will not purchase from Poland things we do not need. Conversely, our Polish partners will take from the Soviet Union the things that they need the most. There will be no more buying just for the sake of buying, just because there was an opportunity or spare cash. From now on, no one is going to pay for what he does not need.

[Zielinski] It is certain that in the initial stage, trade without rubles or zlotys will decline.

[Malkevich] One must accept that. Goods turnover between our countries will diminish. But that is normal, and I see nothing wrong with it. From now on we are going to practice the art of trade, not the art of fulfilling agreed quotas. We will also experience the genuine requirements of both partners.

I think there will be a certain stagnation in trade at first, before it revives later on. Neither your enterprises or ours have too much foreign currency reserves. This deficiency has its good side, however. It will be possible to dispense with all the superfluous elements that have attached themselves to our trade over the past. The revival which I expect to occur soon will be an economically healthy one, and that is what we want.

[Zielinski] There is one more problem to solve. The Polish enterprises that have been trading with the Soviet Union until now have a lot of rubles with which they have had no time to buy goods or services. What are they supposed to do with these rubles now?

[Malkevich] Let me tell you that Soviet enterprises have exactly the same problem. They, too, possess zlotys, korunas, or forints with which they were unable to buy the imports they needed. In a word, we are in the same boat.

No mechanism to resolve this difficult problem has been worked out yet. A sensible method is being sought in all countries where trade has been calculated in their own currencies. It seems necessary to make a complete analysis of this phenomenon and either establish a rate of exchange against convertible currencies that is favorable to both sides, or find another solution. This problem will best be solved directly between enterprises that cooperate with each other, however. Such a solution will depend on initiative and an ability by partners to negotiate with each other.

Gorbachev Greetings Delivered to Romanian Leader

PM1102135791 Moscow IZVESTIYA in Russian 11 Feb 91 Union Edition p 4

[TASS report under the general heading "Official Reports"]

[Text] A meeting was held at the USSR Foreign Ministry 9 February between A.G. Kovalev, USSR first deputy foreign minister, and I. Pashku [name as transliterated], aide to the Romanian president. During the meeting a personal message from Romanian President I. Iliescu to M.S. Gorbachev was passed on.

Bessmertnykh Meets Romanian Ambassador

LD0702190391 Moscow TASS in English 1856 GMT 7 Feb 91

[Text] Moscow February 7 TASS—Soviet Foreign Minister Aleksandr Bessmertnykh today met Romanian Ambassador Vasile Sandru at his request.

Some pressing issues of Soviet-Romanian relations were discussed during the conversation.

The sides stressed their mutual interest in the development of contacts between the two countries and a more vigorous exchange of views in the context of present tendenices in the the international situation.

EEC To Review Reports On Events In Romania

91UF0373A Moscow PRAVDA in Russian
22 Jan 91 Second Edition p 5

[Article by PRAVDA correspondent V. Vedrashko: "The Investigation Drags On"]

[Text] Bucharest—**The delegation of Romanian members of parliament, members of the commission investigating the events in Bucharest that took place 13-15 June last year—has departed the Romanian capital for Strasbourg.**

There was barely enough time left to make it in time to present two reports for deliberation at the European Council. The first report contained the results of the investigation into the interethnic conflict in Tirgu-Mures in March last year. The other dealt with all the circumstances surrounding the events in Bucharest in those memorable June days of civil clashes.

Discussion of and arguments over these two reports have been a prominent feature of domestic political life of late. The reason is that aid to Romania—which it needs to implement its economic reforms—on the part of developed countries hinges to a large degree on the timely presentation of these reports to West European organizations (including the EEC and the Group of 24).

The discussions and arguments have been going on against a background of growing social tensions in the country. It was precisely the strikes in Timisoara, and the rallies, disorder, and clashes in Bucharest that have made up the contents of many dispatches and reports from this country. Tens of thousands of workers and students protesting government policy, as well as the recent major strike by Romanian aviation workers that paralyzed air traffic—all of these are serious signs of trouble and instability.

Fragmentation of social forces is visible. There is no unity among students, or in trade unions. The prolonged period of formation for almost all political parties creates favorable conditions for the old and well-entrenched bureaucratic structures to act. Their influence is felt so strongly that the prime minister had to demand, in the strongest words, that executive power components neutralize the bureaucratic "mafia."

Activists of the National Salvation Front (NSF) are not in a hurry the ease the tension, understanding well the drama of it. Some voice the opinion that confidence in the current government is being jeopardized. The refusal of West European organizations—even if temporary—to support Romania financially "will compromise the program of social and economic reform which the National Salvation Front and its government team have started to implement," the newspaper ADEVARUL, which is close to government circles, said recently.

The reports were sent to Strasbourg. Because of the time crunch, the documents had not been discussed properly in legislature. The Romanians themselves, who had suffered most from the clashes in Tirgu-Mures in March and in Bucharest in June, had not had a chance to define their own attitude toward these events. Will these reports satisfy the West European organizations?

'Scenario' for Coup Attempt in Romania Suggested

91UF0305A Moscow IZVESTIYA in Russian
5 Jan 91 Union Edition p 4

[Article by IZVESTIYA correspondent V. Volodin: "A Version of Yet Another Conspiracy in Romania. Professor S. Brucan Supposes"]

[Text] Bucharest—**In the opinion of a well-known political scientist, one of the leading figures of the anti-Ceausescu revolution in December 1989, Professor Silviu Brucan, yet another organized attempt was made to topple the Romanian Government at the end of 1990. S. Brucan offered a hypothesis according to which a wave of strikes, anti-government rallies commemorating the anniversary of the revolution, as well as the illegal arrival in Romania of former King Mihai are elements of a scenario which was worked out in advance.**

In a TV interview, Professor S. Brucan stated that he would not venture to point out which specific forces were behind the preparation of the scenario and the attempt to implement it. Using as his departure point a student strike, the leaders of which called on workers on 19 December to seek the resignation of the government and President Iliescu by means of a general strike, the Romanian political scientist conjectures that by the 21 December manifestation the capital city was supposed to be barricaded by the trucks of striking drivers, and television should have been in the hands of opposition forces. Against this background, economic paralysis caused by a general strike of indefinite duration could not have but ended in the resignation of the government. It is not ruled out that, given a political vacuum, the visit of the former monarch to Romania could have turned out differently (although Mihai himself emphasizes in every way the private nature of the visit).

Indeed, it looks like all the elements of the supposed conspiracy were present in Romania before the new year. In mid-December, drivers were on strike, and Bucharest was blocked by heavy trucks. The student strike spread to the workers of Timisoara who declared a general strike. A free trade union at Romanian television went on strike. The National Convention was hastily set up in the capital city which the leading legislative parties of the opposition joined. Judging from a statement by the leader of National-Liberals R. Campeanu, the issue of the resignation of the P. Roman government was discussed with President I. Iliescu.

The government overcame the political crisis coming to an agreement with the leaders of the trade union of drivers, however. S. Brucan believes that the workers did not support the students' demand concerning the resignation of the government anywhere, except in Timisoara. In the opinion of the political scientist, they

simply turned out to be not ready for such decisive changes. Besides, they did not manage to turn a rally in Bucharest devoted to the anniversary of the Romanian revolution into a serious anti-government manifestation.

Under the circumstances, the arrival of former King Mihai in Romania which, according to the supposition of Professor Brucan, was supposed to complete the scenario, did not work. The political scientist interprets the deportation of the former king from the country, the way in which the visit ended, as the sign of a lack of culture among both the authorities and the opposition because the man who managed to redeem Romania from the shame of cooperating with Hitler in August 1944 deserves to be treated differently, all the more so because the visit of the former king could be so arranged as to let everyone know: Coup scenarios will not work in present-day Romania.

'Lithuanian Variant' Avoided in SFRY

91UF0404A Moscow IZVESTIYA in Russian 30 Jan 91 Union Edition p 3

[Article by IZVESTIYA correspondent Ye. Vostrukhov: "Yugoslavia: A Step to Tragedy"]

[Text] Belgrade—**The last few days and nights almost became a tragedy for the Yugoslav Federation, which is torn by inter-republic contradictions. All of the military units and garrisons of the Yugoslav People's Army (YuNA) that are located on the territory of Croatia were urgently brought to a state of increased combat readiness. In response to this, with the help of the police and reservists who received weapons, the republic took measures to defend the sovereignty and independence and the constitution and territorial integrity of Croatia.**

The secret delivery of weapons into Yugoslavia recently reached such a magnitude that the SFRY Presidium was forced to adopt a special decree, and demanded the elimination of "arsenals" within a 10-day period. The Presidium entrusted the execution of the decree to the Federal Secretary for National Defense.

When the surrender of underground weapons began in the country it turned out that the Croatian reservists were not participating in it. The leadership of the republic seriously feared that the "conservative" and the "Bolshevist" command authorities of the Yugoslav People's Army would take advantage of the decree of the SFRY Presidium to overthrow the "democratic regime" in Croatia, establishing a "totalitarian communist order" here.

I was in Zagreb during the hours when the ultimatum period passed. Streets that were always heavily populated became literally deserted by evening. Patrols armed with assault rifles fixed their eyes on any rare passerby, and at intersections police vehicles and "spetsialtsy" (special police forces), that are like our special purpose militia detachments, controlled entry into and exit from the city. Close to midnight, heavy dump trucks loaded with gravel blockaded traffic on the bridges across the Sava River. At the same time, fuel tank trucks surrounded the military barracks imeni Marshal Tito to prevent a possible attack on the capital. Barracks and training grounds in other cities of the republic were blockaded in the same way.

The term of the ultimatum expired, but the tension continued to grow. The Government of Croatia announced an urgent convening of an extraordinary session of legislature, and it proposed that the deputies approve a state plan of defense consisting of six points (one of them envisages addressing an appeal to the world community to protect the people of Croatia from a military threat). In turn, the Federal Secretary for National Defense announced that he fully intended to fulfill the duties entrusted to him by the SFRY Presidium. Appropriate measures will be applied to those who illegally conceal weapons and ammunition. After the announcement, work got under way: Arrests started. In Croatia they were assessed as an encroachment on the rights and freedoms of citizens and as the first signal of armed resistance. "We will hardly be able to avoid the Lithuanian variant," many already believed.

At that dramatic moment, when it seemed that it was just one short step to the start of a civil war, wisdom and self-restraint were shown by the leadership of the Federation. Last Friday, a special meeting of the SFRY Presidium was held. F. Tudzhman, the president of the Republic of Croatia, who arrived in spite of the statements of the Zagreb press in Belgrade, also participated in it. Members of the Presidium succeeded in adopting a decree that was approved both by the leadership of Croatia and by the military: To immediately begin demobilization in the republic of the reserve complement of the police, and to shift the military garrisons from a state of increased combat readiness to normal peacetime conditions. That is how the basis for a normalization of life in the republic was established.

At noon last Saturday, all garrisons in Croatia returned to a peacetime schedule. By Monday, a majority of the police reservists were demobilized. Their automatic weapons, supplied mainly by illegal means from abroad, were not turned over to Yugoslav People's Army depots, but were stored in police departments. "The weapons remain with us," declared F. Tudzhman with satisfaction.

Yugoslavia's New Federal Treaty Discussed

91UF0347A Moscow SOVETSKAYA ROSSIYA in Russian 15 Jan 91 First Edition p 3

[Report by M. Ovcharenko: "Test of Maturity"]

[Text] Belgrade—It may be said without exaggeration that for Yugoslavia the past year was one of the most tumultuous in its postwar history. It sometimes seemed that the federation would "lose its balance," so exacerbated were the relations between the republics, a TASS correspondent reports for SOVETSKAYA ROSSIYA.

A hallmark of the past year was the switch of the country's economy, despite all the difficulties, to a market track. The government headed by Prime Minister A. Markovic is consistently pursuing a policy of fundamental transformations in the economy. The results of the reform are impressive: There was success in the past year in curbing inflation, which had reached the 2,500 percent mark. Western capital is being employed extensively in the country's economy, and legal safeguards for the development of the private sector have been created. But, at the same time, the government moved at the end of the year to devalue the national currency, the number of unprofitable enterprises is growing, and the threat of dismissal looms over many working people. Inflation has reached the 120 percent level and price rises are being observed in January also.

Many of the government's initiatives are being reduced to nothing by the economic "war" among the republics. It was not fortuitous that the prime minister, speaking in legislature recently, warned that localistic interests were jeopardizing the economic reform. That the present year would be critical for its realization. Centrifugal tendencies in the federation were a regrettable reality of the past year.

Discussion of a new federal treaty began on 10 January at a meeting of the SFRY Presidium, the highest state body. The country's leadership realizes that the exchange of opinions will be complex and prolonged.

The situation that has taken shape concerning the question of the future form of government in Yugoslavia and the principles of the community is, if not one of stalemate, then something close to it. The republics of Slovenia and Croatia see for themselves an outlook based exclusively on confederal principles. Attempts are being made to accuse the Slovenes of an endeavor to secede from the SFRY, what is more, which, upon familiarization with the speeches of the republic's leaders, seems improbable.

Serbia—the biggest and most economically developed republic—and Montenegro link the future of Yugoslavia exclusively with a federation. The two other republics of Macedonia and Bosnia-Hercegovina also support the idea of a federation, in which they should be guaranteed sovereignty.

So where is the "golden mean?" Time will tell, but the balanced nature of the positions of all the republics in the course of the coming dialogue is a command of the times.

But the news that has been coming in in recent days has been causing concern: In the republic of Croatia areas where Serbs live they proclaimed themselves a Serbian autonomous province—Krajina. This was followed by a report on the formation here of an independent internal affairs secretariat, which issued an order for the mobilization of persons in the militia reserve, who came to the assembly points in full readiness. A tense situation is taking shape in the areas of Croatia where Serbs live: The reservists are patrolling the administrative center, the city of Knin in the autonomous province, and guarding important facilities. The situation is complicated by the arrival in the neighboring city of Drnis of special forces of Croatia's Ministry of Internal Affairs.

Yugoslavia is currently undergoing a difficult test of maturity. Despite the entire ambivalence of the events taking place in society, its democratization is an irreversible process. The future, without a shadow of doubt, lies with the victory of reason and good, which have always been inherent in the Yugoslav peoples.

West Europe

Reports on Troop Withdrawal From Germany Continue

Restructuring Former Bases

LD3001142991 Moscow Central Television First Program Network in Russian 0904 GMT 30 Jan 91

[Report by correspondent Osokin; from the "Television News Service" program]

[Excerpts] In Germany one can encounter the word perestroyka but it has assumed a special meaning there. The Germans are discussing plans for the restructuring of military bases, including the Soviet sites which are to become free following the withdrawal of Soviet troops. Many bases of this kind have been built on German soil. There are especially many of them in Brandenburg land, where, it has transpired, 300,000 tonnes of ammunition used to be stationed. That is almost one-third of the total amount stored in Germany. [passage omitted]

So now various sites will change hands. In East Germany the authorities are already creating commissions engaged in tackling issues concerning conversion, that is, the restoration of lands as they used to be before the military bases were built there. But certain problems have suddenly arisen.

In Brandenburg they complain that the Government of the united Germany recently suspended implementation of the conversion project. In some places the West Germans took up after the unification the army sites which formerly belonged to the GDR, having patently demonstrated the desire to appropriate them. It is surprising how similar the generals in all countries are. They clearly dislike the word conversion.

Transport Through CSFR Planned

LD2501001991 Moscow Domestic Service in Russian 2100 GMT 25 Jan 91

[Text] The information agencies draw attention to Bonn's proposal to the government of Czechoslovakia to pay compensation for the transportation through its territory of echelons of Soviet troops leaving Germany. This step follows Warsaw's refusal to grant the USSR the

right of transit for its troops through its territory until the Soviet Union sets the date for withdrawing troops stationed in Poland.

Reports Continue on Humanitarian Aid From Germany

Military Helps Airlift Food Aid

PM1102140391 Moscow KRASNAYA ZVEZDA in Russian 9 Feb 91 First Edition p 1

[Report by Major Ye. Pornyakov of Military Transport Aviation under the "Army and Navy: News Service" rubric: "153 Trips to Obtain Humanitarian Assistance"]

[Text] Yesterday a Soviet An-22 "Antey" military transport aircraft landed at Cologne-Bonn airport in Germany. It came here to pick up the food that the German public had collected within the framework of humanitarian assistance to the Soviet Union in connection with the crisis in our economy. The cargo will be delivered to Alma-Ata.

A day earlier, a military transport aircraft piloted by military pilots first class Majors V. Ivchenko and A. Shargorodskiy, delivered similar cargoes to Rostov-na-Donu and Leningrad.

Humanitarian assistance in the form of food, medicines, and medical equipment began to be transported to our country in military aircraft on a regular basis in December of last year. Military aviators have delivered cargo from Germany, Austria, Greece, Syria, and India.... As of today (two months in total) 153 trips have been made in military transport aircraft alone and 6,762 tonnes have been delivered. The destinations were Kiev, Minsk, Tver, Orsk, Volgograd, and Ukhta airports....

German Red Cross Continues Aid

91P50079 Moscow SELSKAYA ZHIZN in Russian 25 Jan 91 p 3

[Unattributed article: "From the Stream of Reports"]

[Text] Bonn. The German Red Cross Society intends to continue supplying humanitarian aid to the Soviet Union without any kind of limitations. Possible sanctions by the European community in its relations with the Soviet Union due to the military actions in the Baltics will not affect the deliveries of food to the Soviet Union carried out by the German Red Cross, stated Horst Hamborg, chairman of the organization, in an interview with the DDP [Deutscher Depeschen-Dienst] Press Agency.

Reports, Comments on Relations With Germany Noted

Common Interests Seen

91UF0318A Moscow KRASNAYA ZVEZDA in Russian 8 Jan 91 First edition p 3

[Article by Colonel V. Markushin: "We Should Not Start Another Cycle of 'Trifles'"]

[Text] Once again they have started talking about the unification of Germany; the USSR Supreme Soviet is to ratify the treaties concluded as a result of the "two-plus-four" talks. The United States, England, and France have already gone through this procedure, and we must speak the final word.

This issue is, perhaps, pivotal in Moscow's European policy. A great deal depends on how the debate goes in the Soviet legislature. Including, of course, the attitude of the rest of the world, to which we have solemnly proclaimed our new thinking and our determination to make an end to the division of Europe.

In this connection, what is the significant thing? It is that a united Germany is a fundamentally new factor in European development. Its strength and influence in a powerful, flourishing economy. Its interests—to consolidate its status as the first European economic power, expand its ties, intensify the market in the East, and finally, help us to extricate ourselves from crisis so as to live as quietly as possible with a satisfied and healthy neighbor.

I think that our own interests largely coincide with these. We simply need Germany—a firm and suitable partner, a country prepared to maintain civilized, equal, mutually advantageous relations with us. Even though we are still showing this interest and need primarily through private representative trips and all kinds of soundings and estimates, and, of course, talks....

On the military-political plane the aspirations of the two powers also overlap to some extent. Most Germans link the future of their country with a significant demilitarization of life and the gradual withdrawal of foreign troops from their national territory and significant cutbacks in their own troops. We have recently seen Bonn's desire to reduce the importance of nuclear strategy in Europe to a minimum. For the FRG does not possess nuclear weapons, but to make up for this, Great Britain and France have considerable nuclear-strategic weight. These powers, each in its own way, has no objection to compensating for its own economic lag behind Germany by engaging in more vigorous action in the profession of European military developer.

We note that today not everything in the attitude of our society toward Soviet-German rapprochement is unambiguous. It is not easy to pierce through the layers of inert, every awareness to the understanding that it is necessary to build relations of trust by proceeding from

the realities of the present time. Sometimes there is suspicion of the Germans as a nation naturally inclined toward expansion of Lebensraum. Some people underpin this suspicion by citing worldly wisdom and historical experience. Others regard it as people's prejudices. Life is showing who is closer to the truth. Meanwhile, this moral baggage paralyzes our movements.

Within Germany, the goodwill toward the Soviets by the overwhelming majority of "West" Germans contrasts with the intolerance of a considerable proportion of the population in the Laender in the East toward the contingent of the Western Group of Forces. It is not known whose interests are being served by certain FRG journalists who have recently been heating up this intolerance by taking it upon themselves to exaggerate the "negatives" associated with the presence of Soviet troops in Germany. Isolated instances of desertion and treachery are chewed over with the obvious intention of making them appear as something typical in the moral makeup of Soviet servicemen. An unhealthy interest is displayed in internal procedures in the Soviet barracks, again for the purpose of airing someone else's linen and relishing any sins that have been revealed. It would be better to abandon these bad manners, and it is necessary to halt the flow of dishonest information about the Western Group of Forces. No one gains from this.

These "trivia" cannot go unremarked. It is well known from history that very many national prejudices and even tragedies have grown out of these kinds of so-called trifles. It is not out of place to consider this today also.

Agricultural Cooperation Viewed

91UF0397A Moscow SELSKAYA ZHIZN in Russian 29 Jan 91 p 3

[V. Chistyakov report on an interview with FRG Ministry of Food, Agriculture, and Forestry official by unidentified TASS correspondent in Bonn, date not given: "Facets of Cooperation: Priorities of the Agrarian Sector"]

[Text] Bonn—Trade and economic ties in the agricultural sphere are, as we know, an important integral component of bilateral relations between the Soviet Union and Germany. What directions for further cooperation do German specialists consider today as first priority, when the agrarian sector is attempting—like the entire USSR economy—to find its path for transition to the market? This question was posed by a TASS correspondent to one of the leading personnel in the FRG Ministry of Food, Agriculture, and Forestry, Dr. Rudolf Illing.

"Agricultural specialists from the Soviet Union visit Germany to become familiar with our practice. The very first day they are here we usually take them to the old square Marktplatz right in the center of Bonn," states R. Illing. "Here all year round small-scale traders briskly sell fruits and vegetables from various regions of the country and from abroad. What takes place at this real market can be viewed as a model (a very crude model, of course) of the basic relations and principles that function in the agrarian sector of the German economy."

It is Dr. Illing's opinion that the Soviet Union, with great potential opportunities at its disposal, is capable of independently modernizing its agriculture and raising it to the contemporary level. It will not be easy, however, to accomplish this large-scale task alone—both because of the need for great material expenditures and because of shortage of time.

One of the most important spheres of cooperation could be the training and professional skill enhancement of Soviet specialists engaged in various branches of agriculture, R. Illing says. Several forms of such effort have already been tried.

"I am convinced that the Soviet Union today, striving to resolve its food problem, must invest its resources first of all in people, and not in equipment," Dr. Illing stated as our conversation concluded. "The successes achieved by German agriculture show that it is this kind of investment that yields the highest percentages."

German Attitudes to Soviet Immigrants Noted

PM1101124591 Moscow PRAVDA in Russian 10 Jan 91 Second Edition p 4

[Report by PRAVDA correspondent Ye. Grigoryev: "Illusory Happiness; In 1990 Around 400,000 People Left for Germany"]

[Text] Bonn—Literally every passenger flight from Moscow to German airports is met by a group of people who predominantly speak Russian among themselves. They are our former countrymen of German extraction who are meeting new settlers—their relatives, friends, and acquaintances.

Quite frankly it is a sorry sight. Not just old people are leaving, but many youngsters, too. Last year a new "record" was set—no less than 150,000 people of German extraction were resettled. The Federal Republic's population increased by almost 400,000 people in 1990 as a result of arrivals of settlers of German extraction. After "our" Germans the increase is particularly large from Poland (almost 134,000) and Romania (more than 111,000).

Attitudes to settlers vary in the FRG. The country's native citizens realize that it is mainly a question of "economic migration"—that is, a quest for better material living conditions. When it comes to migrants' privileges—particularly the granting of cheap housing to them—this often produces a negative reaction. It is understandable that such large numbers of migrants also create many other problems, but the Land authorities are currently coping with them in the main, just about managing to house them in hostels and communal accommodation, and providing them with small welfare payments.

The migrants' difficulties are exacerbated by the fact that, to a certain extent, competition has emerged—migrants of other nationalities. According to recently published figures, last year 193,000 people arrived and submitted applications for recognition as political emigrants. This is more than 60 percent more than in the previous year. More than half of them have come from European countries—mainly Romania, Yugoslavia, Poland, and Bulgaria. The main "suppliers" of migrants in other areas are Turkey, Lebanon, Afghanistan, and Iran. There are many Palestinians. The German authorities' approach to the recognition of a political migrant is extremely punctilious. Only 6,500 people (4.4 percent) out of almost 200,000 foreign migrants have been given this status. But this does not mean that the rest immediately leave the country or are expelled—thousands and thousands of people are to all intents and purposes living there illegally.

For economic reasons the scale of resettlement and emigration is creating serious problems not only for the FRG but for all of Europe and, of course, for the hundreds of thousands of people leaving their homes in the quest for what is often illusory happiness.

CPSU Secretariat Congratulates Germany's PDS Leaders

LD0202173491 Moscow TASS International Service in Russian 1525 GMT 2 Feb 91

[Text] Moscow, 2 Feb (TASS)—The CPSU Central Committee Secretariat has congratulated Gregor Gysi, PDS chairman, and Hans Modrow, PDS honorary chairman, on their election to these leading posts in the Party of Democratic Socialism (in the FRG).

Official Meetings With French Officials Eyed

Gorbachev, French Envoy Meet

PM0802103591 Moscow PRAVDA in Russian 7 Feb 91 Second Edition p 1

[TASS report: "USSR President Receives French Ambassador"]

[Text] On 6 February M.S. Gorbachev received French Ambassador J.-M. Merillon in connection with the end of his mission in the Soviet Union.

M.S. Gorbachev stressed the great significance of Soviet-French relations in conditions of the profound changes taking place in Europe and the international arena. He particularly highlighted the trust and mutual understanding which have formed in these years between the Soviet and French presidents as well as the fruitful contacts between the two countries' foreign policy departments. Thanks to joint efforts, cooperation and agreement between Moscow and Paris have reached a qualitatively new level. In this context the USSR president welcomed the ambassador's contribution to the development of Soviet-French relations.

M.S. Gorbachev gave J.-M. Merillon a message in reply to a letter from French President Mitterrand.

The French ambassador expressed sincere gratitude to M.S. Gorbachev for the meeting and said that it best summarizes his activity in the Soviet Union.

Yanayev Receives French Bankers

PM0402161591 Moscow PRAVDA in Russian 2 Feb 91 Second Edition p 6

[TASS report: "Conversation Held"]

[Text] USSR Vice President G.I. Yanayev received 1 February a group of leading officials from the Credit Lyonnais Bank (France), headed by J.Y. Haberer, the bank's president and general director. J-M. Merillon, French ambassador to the USSR, took part in the conversation.

Joint French Talks on Nuclear Non-Proliferation Held

LD0502142191 Moscow TASS in English 1354 GMT 5 Feb 91

[Text] Moscow February 5 TASS—Some pressing issues, relating to the non-proliferation of nuclear weapons and the activity of the International Atomic Energy Agency (IAEA) were discussed during the meeting here today between Soviet Deputy Foreign Minister Vladimir Petrovskiy and F. Thiebaut, head of the French delegation to Soviet-French consultations on the nuclear non-proliferation.

Both sides stressed the urgent need for large-scale and responsible cooperation among world community member-states in order to strengthen and further develop the international nuclear non-proliferation regime and giving it a long-term and universal character.

The two diplomats noted during their conversation the importance of maintaining contacts and regular exchanges of views on non-proliferation between the Soviet Union and France.

Joint French Economic Talks Boosts Bilateral Ties

LD1302151891 Moscow TASS in English 1335 GMT 13 Feb 91

[By TASS correspondent Igor Kuleshov]

[Text] Paris February 13 TASS—The second session of the inter-governmental Soviet-French commission on economic, industrial, scientific, and technical cooperation, which ended on Tuesday, boosted interaction between the Soviet Union and France.

The Soviet side was led by First Deputy Prime Minister Lev Voronin and the French by Economic Minister Pierre Beregovoy.

Some dozen various documents, including a protocol on general terms to finance the delivery of machinery and equipment to the Soviet Union until 1994 were signed during the two days of meetings.

The French side agreed to open a line of credit for up to 2 billion francs to finance the deliveries.

An agreement was reached to promote Soviet-French joint ventures in the Soviet Union. There are now about 70 such ventures in the country.

The sides praised the successful completion of a French-sponsored programme to train Soviet specialists for a market economy.

"We are pleased with the session's results," Voronin told TASS.

France has granted a line of credit for the delivery of French grain to the Soviet Union on very favourable terms. Other credits will enable the USSR to begin to produce colour TV sets and furniture worth 150 million rubles a year, Voronin said.

French entrepreneurs were swayed from their opinion that investment in the Soviet economy is dangerous because of internal instability, he said.

Voronin also praised Soviet-French cooperation in space research, which, he said, has led to several major discoveries.

Preparations are now under way to launch a third Soviet-French space mission.

Discussing problems hampering cooperation, Voronin cited the lack of hard currency at Soviet enterprises to buy technologies and equipment.

The session confirms the stability of Soviet-French trade and economic contacts, Pierre Beregovoy said.

Despite successes in scientific cooperation and training programmes, however, the year has been a disappointment, he said.

French exports to the Soviet Union slumped by 25 percent and the trade deficit rose from 5.8 to 10 billion francs, he said.

If French enterprises perceive that the problems they encounter are easily overcome, they will be more interested in increasing their presence in the Soviet Union, "which is in our interests," he said.

Finnish Media's Tone on Baltics 'Scathing'

PM0502142191 Moscow SOVETSKAYA ROSSIYA in Russian 30 Jan 91 First Edition p 5

[Report by TASS correspondent A. Surikov: "Excessive Emotions. Finnish Press Whipping Up Hysteria Over Events in the Baltics"]

[Text] Helsinki—The thunder of explosions in the Persian Gulf has not drowned out the crackle of submachine gun fire here, in Finland, as it carries across from the other side of the Baltic Sea. For the last few days, the development of the crisis situation in the Soviet Baltic republics has remained at the center of attention by the Finnish press, television, and radio, according to a TASS correspondent's report from Helsinki at the request of SOVETSKAYA ROSSIYA.

What strikes you about this flood of information? Before answering this question, I must immediately point out that I have no intention of polemicizing with anyone or lecturing anyone: Every journalist has the right to freely express his point of view. So that there should be no confusion about my own stand on the matter, I will also explain that I consider the use of the Armed Forces against civilians intolerable, especially in the arbitrary, voluntarist way it was done in Vilnius and then in Riga.

The reasoning behind publications' voicing concern at the exacerbation of the situation in the Baltics and condemning the use of force is therefore understandable. What is perplexing is something else: The hasty, categorical nature of many of the opinions expressed and their scathing tone, sometimes bordering on insolence. "Moscow Returns to Middle Ages"; "Smoking Ruins All That Remains of Policy of Transformations"; "Return to Terror": Headlines like these circulated in Finland yesterday in many thousands of copies.

This outburst of emotions in the mass media contrasts very strikingly with the rational, balanced stand taken by Finland's political leadership on the Baltic problems. This stand has been repeatedly confirmed recently by President Mauno Koivisto, Prime Minister Harri Holkeri, and Foreign Minister Pertti Paasio. The essence of their statements can be summed up as follows: Yes, we sympathize with the Baltic peoples' desire to gain independence and no, we do not accept violence, but we work on the basis that the Baltic republics are an integral part of the Soviet Union and thus questions concerning their relations with the center must be resolved through negotiation.

There is some evidence that the emotional unconstraint of the local press is causing concern among the Finnish leadership. The other day, for example, the presidential office was forced to draw the attention of the heads of the state television and radio service, Yleisradio, to misrepresentation by its correspondents in their coverage of the Baltic situation. According to the newspaper ILTA-SANOMAT, the presidential palace was "particularly disappointed" by the fact that a correspondent on the main television news bulletin had felt it possible to refer to the Soviet troops in the Baltics as "occupationist."

Those fond of excessively scathing expressions are fueling tension, regardless of whether it is their intention to do so or not. There is also another undesirable aspect to whipping up emotions. Willingly or no, taking this line is helping to spread a very definite attitude to the Soviet

Union in Finnish society. Members of several Soviet establishments in Helsinki have said that they receive telephone calls virtually every day from people abusing the Russians. Does this accord with the traditions of the long-standing friendship that binds us?

Soviet, Finnish Official Meetings Reported

Karpov Meets Finnish Envoy

LD3001115991 Moscow TASS in English 1147 GMT 30 Jan 91

[Text] Moscow January 30 TASS—Soviet Deputy Foreign Minister Viktor Karpov met Heikki Talvitie, the ambassador extraordinary and plenipotentiary of Finland to the Soviet Union, here today.

They discussed problems relating to the resumption of work of the international conference on open skies and the prospects for enlarging the number of participants in this negotiation forum.

Falin Meets Communist Party Group

PM2301132591 Moscow PRAVDA in Russian 19 Jan 91 Second Edition p 6

[TASS report: "Finnish Communists' Visit"]

[Text] V.M. Falin, secretary of the CPSU Central Committee, had a meeting with a Finnish Communist Party (Unity) delegation headed by Party Chairman Y. Hakanen in Moscow 18 January. Current questions of interparty cooperation and key international problems were discussed during the talks. Special attention was devoted to the situation in the Persian Gulf. The Finnish comrades were briefed on the CPSU's approaches to resolving current problems of internal life in the USSR and on the situation in the Baltic republics. The meeting was held in a warm and comradely atmosphere characteristic of relations between the two parties.

Katushev, Finnish Trade Official Meet

PM0602164991 Moscow IZVESTIYA in Russian 31 Jan 91 Union Edition p 5

[TASS report under the general; Heading "Official Reports"]

[Text] A conversation was held between K.F. Katushev, USSR minister of foreign economic relations, and I. Suominen, Finnish minister of trade and industry, on 29 January. They discussed topical questions of Soviet-

Petrovskiy, Italian Ambassador Discuss Gulf Events

PM0102135591 Moscow IZVESTIYA in Russian 1 Feb 91 Union Edition p 6

[Unattributed report: "Reception of Ambassador"]

[Text] On 30 January USSR Deputy Foreign Minister V.F. Petrovskiy received F. Salleo, Italian ambassador to the USSR. There was a routine exchange of opinions on the development of events in the Persian Gulf zone. The sides noted the need to prevent the further escalation of military actions there and to lead the settlement of the Gulf crisis into a peaceful channel.

Credit Accord With Italy To Promote Trade Links

LD1301114691 Moscow TASS International Service in Russian 1417 GMT 12 Jan 91

[Text] [No dateline as received] The signing took place today at the Italian Foreign Affairs Ministry of a Soviet-Italian bilateral agreement on providing the USSR with two credits amounting to 1.1 billion rubles. The agreement will promote expansion of links between Soviet and Italian trade and economic partners.

On the Soviet side the agreement was signed by E.E. Obminskiy, deputy foreign minister, and on the Italian side by R. Vanni D'Arkirafi, director-general of the economic department of the Italian Foreign Ministry.

The sides also exchanged letters on coordination of reimbursement-free humanitarian aid to the Soviet Union.

Yanayev Attends Norwegian King's Funeral

LD3001214191 Moscow TASS in English 2128 GMT 30 Jan 91

[By TASS correspondent Sergei Neshumov]

[Text] Oslo January 30 TASS—Soviet Vice-President Gennady Yanayev, attending the funeral of King Olav V of Norway, met several foreign leaders in the Norwegian capital on wednesday.

He met new Norwegian King Harald V, and had talks with Prime Minister Gro Harlem Brundtland and Parliament Speaker Josef Benkow to discuss bilateral relations and international issues.

He also met Finnish President Mauno Koivisto, German President Richard Von Weizsacker and U.S. Vice President Dan

PRAVDA Chief Editor Receives Netherlands Envoy

PM2801094191 Moscow PRAVDA in Russian 25 Jan 91 Second Edition p 4

["Own Information" report under the general heading: "Meetings at the Editorial Office"]

[Text] The political situation in our country, the historical destiny of perestroyka, and the situation in the Baltic republics—Joris M. Vos, Netherlands ambassador to the USSR, asked about these and other matters when he visited the PRAVDA editorial office yesterday.

At his request, the visitor was received by I.T. Frolov, member of the CPSU Central Committee Politburo and chief editor of PRAVDA.

Although he has not been in the Soviet Union long, the Netherlands ambassador understands Russian pretty well. Before being assigned to Moscow last September, he had been ambassador in Australia and had worked in Prague, Belgrade, and Washington.

On leaving, Joris M. Vos expressed appreciation for the interesting and frank conversation.

Lukyanov, Maltese Legislators Discuss Gulf

PM1102110991 Moscow IZVESTIYA in Russian 8 Feb 91 Union Edition p 6

[Unattributed report: "Proximity of Many Positions"]

[Text] On 6 February A.I. Lukyanov, chairman of the USSR Supreme Soviet, met in the Kremlin with a legislative delegation from the Republic of Malta headed by L. Gonzi, speaker of the House of Representatives, which is on an official visit to the Soviet Union.

During the talks, which were held in a friendly atmosphere, A.I. Lukyanov familiarized the Maltese guests with the profound transformations being implemented in the USSR in the political and economic spheres and briefed them on the USSR Supreme Soviet's activity in providing legislative backup for the renewal of society.

An examination of key questions of international politics revealed the coincidence or proximity of many of the sides' positions. During the discussion of the situation in the Persian Gulf region a general opinion was voiced in favor of the speediest cessation of military operations on the basis of fulfilling the corresponding UN Security Council resolutions and actively seeking ways to a political settlement of the problems which have accumulated in the interests of the destinies of the peoples of the region and the international situation as a whole.

During a discussion of European affairs in the context of the profound changes which have occurred on the continent emphasis was placed on the need to more fully extend to the Mediterranean region the positive trends which are now firmly established in Europe.

Voicing satisfaction with the state of Soviet-Maltese relations, including along legislative lines, the sides confirmed their mutual desire to promote the expansion of bilateral ties and to make more active use of the existing reserves, particularly in the sphere of trade and economic cooperation.

Participating in the talks were USSR People's Deputies Ye.U. Kim and V.I. Matviyenko and M. Lubrano, Maltese ambassador to the USSR.

USSR, Malta Sign Five-Year Trade Protocol

LD1201184591 Moscow TASS in English 0831 GMT 12 Jan 91

[By TASS correspondent Dmitriy Fedotov]

[Text] Valletta January 12 TASS—The Soviet Union and Malta signed a five-year protocol on trade in Valletta, giving more freedom to individual enterprises in bilateral trading.

In contrast to the previous protocol, which determined export and import volumes and products, the new document gives a free hand to businesses in setting prices and delivery terms.

The Maltese and Soviet sides pledged to assist the signing and implementation of contracts and promote joint ventures, industrial cooperation and regional cooperation to ensure dynamic and balanced relations between the two countries.

"Despite difficulties we faced last year when several Soviet foreign trade organisations delayed payments, we are aware about the temporary character of current Soviet difficulties and are determined to expand our trade," the head of the Maltese state exporting corporation, told TASS after the signing.

Austrian Chancellor Favors Continued Cooperation

LD3001173791 Moscow TASS in English 1728 GMT 30 Jan 91

[By TASS correspondent Vladimir Smelov]

[Text] Vienna January 30 TASS—Austrian Chancellor Franz Vranitzky called for continued cooperation with the Soviet Union.

Speaking at a session of the Council of Europe's legislative assembly in Strasbourg today, Vranitzky stressed that concern over the Baltic events should not close the door to dialogue.

The council should share experience necessary for the functioning of democracy, for a law-governed state and the implementation of human rights with the Soviet Union, he said.

Those who point a finger at events in the Soviet Union from a safe distance should remember than many countries in Western Europe also experienced deviations as they followed the democratic path, he added.

He welcomed the council's efforts to grant financial aid to East European countries to reform their legal systems.

Austria will allocate five million shillings for the purpose, he said.

Europe should not turn into an elite club, he said.

Murdered Swedes Reportedly Mugged, Robbed

PM3001160191 Moscow IZVESTIYA in Russian 28 Jan 91 Union Edition p 6

[Report by correspondent L. Levitskiy under the rubric: "Incidents": "Two Swedes Killed in Tallinn"]

[Text] Two Swedish citizens, 55-year-old Bertil Whinberg, chairman of the Construction Workers' Union and member of the Social Democratic Party Executive Committee, and 50-year-old Ove Fredriksson, chairman of the Swedish Wood Industry Workers' Union, have been murdered in Tallinn.

The leaders of two of Sweden's major trade unions arrived in Tallinn Wednesday [23 January] to meet with Estonian colleagues. They were to return to Stockholm Thursday. They were last seen alive at 0300 hours. Where they were going when they left the Viru Hotel at such a late hour is not known. These facts were reported to PAEVALEHT journalists by the Swedish consul in Estonia. He suggested that Whinberg and Fredriksson were mugged somewhere, robbed, and dumped near the sea to die of exposure. The consul rejected the possibility of political motives for the crime. Specialists at Tallinn City Prosecutor's Office and Tallinn's Internal Affairs Administration agreed with him. An investigation is now under way.

"The bodies were discovered Thursday during daylight hours between the sea and the sand dump of a specialist truck depot. Signs of beating and, evidently, of theft were visible. One of the murdered men was wearing a jacket and slacks, but was without shoes. Both were without overcoats," Oleg Palko, chief of the city militia administration's criminal investigation department, said. "It is not yet possible to say whether they died from hypothermia or were taken to that remote spot already dead. It is now up to the experts, and they have only just begun their work."

According to the consul, these are the first Swedes to be murdered in Tallinn.

Latin America & Caribbean

Better U.S.-Soviet Ties Evidenced in South America

PY1601132291 Moscow in Spanish to Latin America 0200 GMT 13 Jan 91

[Aleksey Pavlov commentary]

[Text] The Governments of Brazil and Argentina will probably sign during the first quarter of this year an agreement to ban the design, manufacture, and storage of chemical weapons. Our analyst Aleksey Pavlov comments on this:

In addition to banning the production of chemical weapons in their own countries, this agreement will also forbid Argentine and Brazilian scientists from participation in designing such weapons in third countries. Considering that at present neither of the two countries possesses chemical weapons, the agreement obviously has a preventive character. It will serve to bolster confidence between two countries, as well as their desire to use modern technology exclusively for peaceful ends.

In strenghtening mutual confidence, the agreement is meant to complete the declaration signed by Carlos Menem and Fernando Collor de Mello on 28 November 1990 at the border city of Foz do Iguacu. In that declaration, both presidents committed themselves to eschewing the use of nuclear energy for military purposes and to allowing reciprocal inspection of nuclear installations. As we can see, in a rather short time, Argentina and Brazil have taken important steps to nurture their mutual confidence.

It can be said that in that way both nations have ended their long struggle to assume leadership in the region. That struggle manifested itself in military boasts while the financial situation in the two neighboring countries was worsening. Brazil led the list of foreign debtors in Latin America, and Argentina was further down on this infamous list. So, the long years of rivalry have now given way to much desired cooperation.

Local observers consider that, in the first place, the coming to power of civilians has been a factor, greater than the military dictatorships, in fostering mutual interests. This is a fair appraisal. In fact, it was the government by generals that spurred an arms race between the two states. It was not by happenstance that both Argentina and Brazil have enlarged their foreign debt during the military regimes.

The replacement of the military regimes has not, however, been the most important factor in creating the present situation. It was also made possible, to a large extent, by the improvement of the international climate brought about by the new status of relations between the Soviet Union and the United States. The military authorities of Brazil, Argentina, and other countries in the continent were precisely the formulators of the

theory of a Soviet military threat to region. When this myth exploded like a soap bubble, the military ran out of reasons for remaining in power.

In my view, it was not by happenstance that the reduction in international tension coincided with the rising struggle of the Latin American people against the power of the military. The success of this struggle is proportionate to the sucess in reducing of international tension. This is very satisfying.

Commentator Views Rights Violations in Latin America

PY3001230091 Moscow in Spanish to Latin America 0000 GMT 29 Jan 91

[Commentary by Radio Moscow political analyst Leonid Levchenko]

[Text] As democratic regimes take hold on the American continent, the human rights situation continues to improve. Only in places where there is no political stability or civic coexistence do severe human rights violations persist.

Last year the UN Human Rights Commission approved resolutions criticizing human rights violations in El Salvador and Guatemala. It is quite possible that these countries are still blacklisted. The recent killing of 15 civilians in a village near the capital of El Salvador is yet another demonstration of the terror unleashed by the Army and the death squads. Gregorio Rosa Chavez, auxiliary bishop of El Salvador, has asked countries that have political influence on the Salvadoran Government to pay close attention to the situation in El Salvador in order to help achieve a swift political agreement.

It is obvious that without national reconciliation, human rights will continue to be violated in El Salvador. Recently, the Salvadoran Human Rights Commission accused the Armed Forces of using toxic substances against the population. The Salvadoran rebels keep calling for demilitarization of the country; this is bound to make the Salvadorans' lives safer.

One month ago, the Guatemalan rebels appealed to the new Guatemalan president, Jorge Serrano, urging him to demilitarize and disband the country's repressive forces, which have been violating human rights.

Political instability is also fostering increased violence in Colombia where the government is engaged in a just struggle against drug trafficking. Journalist Diana Turbay was recently murdered by narcoterrorists.

The current session of the UN Human Rights Commission will debate issues related to the right to development and the consequences that the foreign debt has for debtor countries. These are burning issues for Latin American countries and the UN Human Rights Commission has confirmed that up to the end of last year, extreme misery and social injustice were being worsened by crude human rights violations. The UN commission has asked for urgent international and national measures to put an end to outrageous human rights violations.

Foreign Ministry Official Speaks on Latin America

Part I: Ideological Ties

PY1801153091 Moscow in Spanish to Latin America 0000 GMT 15 Jan 91

[First part interview with Yan Burlyay, deputy chief of Soviet Foreign Ministry Latin American Department, by (Vladimir Stigneyev) in Moscow; date not given—recorded]

[Text] [(Stigneyev)] We already said goodbye to 1990. We already toasted for a happy 1991 but I would like, however, to recall some events of 1990 because from my viewpoint as a reporter I believe that it was a year full of important events related to my work in covering various aspects of events linking the Soviet Union with Latin America.

[Burlyay] First of all I would like to point out that our policy in Latin America has developed in accordance with the principles of the new political thought. This meant deideologizing international relations and respecting the people's right to freedom of action, freedom to choose their own way of development, freedom to self-determination, and the support for the Latin American democratization, and integration process.

We greeted with great satisfaction the democratization process in Chile and Haiti, and the strengthening of democracy in Argentina, Brazil, and Nicaragua. We believe that this democratization process is in the best interest of the Latin American people, in the interest of human civilization in general.

Regarding our bilateral relations I would like to point out several important visits were made last year. The visit of Argentine President Carlos Menem to the Soviet Union led to the signing of several important documents: the political declaration which contains basic principles shared by our countries in the international political circle, the agreement on cooperation for the peaceful use of space and nuclear energy, and other important documents. I would also like to mention another important visit: the one made by Brazilian President Fernando Collor de Mello to the Soviet Union. This visit served as an example for strengthening mutual fruitful relations between the two countries [words indistinct] socioeconomic field. We believe that Collor's visit confirmed the importance which Brazil and the Soviet Union attribute to their cooperation in the international field. It also confirmed the points of agreement of the positions of the two countries on key international problems.

[(Stigneyev)] Excuse me for the interruption but what is the Soviet Foreign Ministry's reaction to the election of the new Peruvian president?

[Burlyay] We congratulated the newly elected Peruvian president. The Supreme Soviet also congratulated the new president on his election. In that message we also expressed our desire to strengthen the good relations existing between our two countries We believe that there are many new possibilities for more effective cooperation between our countries.

[(Stigneyev)] Within the framework of the new political horizon of the democratization process taking place in South America there is a country which was not in the Soviet view from the diplomatic, commercial, cultural, sports fields. I am referring to Paraguay. What about that country?

[Burlyay] Our position in principle is that we advocate the establishment of mutual fruitful relations with all countries of the world. We believe that there are possibilities for the development of congressional, economic, scientific, and cultural relations with Paraguay. We are willing to contribute to the establishment of normal relations with Paraguay.

Part II: Economic Integration

PY1801154491 Moscow in Spanish to Latin America 2300 GMT 15 Jan 91

[Second part of an interview with Yan Burlyay, deputy chief of the Soviet Foreign Ministry Latin American Department, by station commentator (Vladimir Stigneyev) in Moscow; date not given—recorded]

[Text] [Burlyay] We are witnessing a very interesting process in Latin America. I am referring to the process of economic integration.

[(Stigneyev)] How does the Soviet Union views this process?

[Burlyay] We believe that the integration process is one of the most outstanding features of the present Latin American political and diplomatic situation. This process permits a more careful and in-depth analysis of socioeconomic problems and their solutions, solutions to guarantee conditions for speedier development of the region. Representatives from the Soviet Union and other East European countries have met with Rio Group representatives. There were two meetings of foreign ministers, the first in Budapest and the second in New York. We have scheduled another meeting in Buenos Aires for next year. We think that the exchange of opinions and concrete proposals within this framework creates a solid base for interaction and cooperation in foreign, economic, and financial policy.

[(Stigneyev)] What about Central America?

[Burlyay] There were general elections in Nicaragua last year. The Soviet Union stated before the election that it would recognize the result of the vote. We also stated that we would continue our mutually advantageous cooperation with Nicaragua. We are concerned about the protracted conflict in El Salvador. We consider that only the dialogue, or other peaceful procedure, will solve the conflict in that country. We think that the role of the UN secretary general in searching a path toward a solid and lasting peace in El Salvador is very constructive and deserves the support of all countries in the world.

We express our support to a negotiated solution.

[(Stigneyev)] There are comments that the Persian Gulf crisis, the latest developments in East Europe, the new Soviet-U.S. relations, and the very complicated internal situation in the Soviet Union have drawn Soviet attention away from Latin America.

[Burlyay] Our Latin American policy recognizes the growing role of Latin American countries in the international arena. The voice of Latin American countries is heard with increasing attention in the world. Their representatives defend their countries' interests and the interests of the developing world in the most important forums such as the United Nations. We have similar foreign policy positions on a number of important problems. This creates a positive base for a fruitful dialogue with Latin America.

Part III: International Affairs

PY1901141091 Moscow in Spanish to Latin America 2300 GMT 16 Jan 91

[Third part of an interview with Yan Burlyay, deputy chief of the Soviet Foreign Ministry Latin American Department, by station commentator (Vladimir Stigneyev) in Moscow; date not given—recorded]

[Text] [(Stigneyev)] Which issues do the Soviet Union and Latin American countries agree on?

[Burlyay] We agree on the need to end the arms race, on the presence of a direct link between disarmament and development, on the need to create zones of peace and cooperation in different regions in the world, on the belief that international conflicts have to be solved by peaceful political means.

[(Stigneyev)] Foreign Minister Shevardnadze's resignation had great repercussions. Will there be changes in our foreign policy, specifically in the Soviet Latin American policy, if his resignation is accepted?

[Burlyay] I am sure that we promote a consistent policy, based on principles and objective conditions. It is by no mean a policy that depends on circumstances. This is why I am sure that our cooperation, the dialogue we permanently maintain with Latin American countries will continue in the future.

[(Stigneyev)] In view of the deep changes that have occurred in East European countries and the difficulties

we Soviets are currently facing, there has been speculation on the future of the Soviet-Cuban relations. What do you think about the prospects for the relations between the two countries in 1991?

[Burlyay] I want to point out that the USSR is implementing an active policy of friendship and cooperation with Cuba. I want to stress that we appreciate the relations with this country. We are willing to strengthen the relations we have traditionally maintained with Cuba. Our political relations are based on the friendship and cooperation. In April 1989 Fidel Castro and Mikhail Gorbachev signed a bilateral treaty on friendship and cooperation. Regarding our bilateral economic relations, some changes will be made to guarantee the mutual benefits between the two countries. I want to emphasize that late in 1990 the Soviet and Cuban foreign trade ministers held very fruitful negotiations in Moscow, which ended with the signing of important documents dealing with the trade and economic cooperation exchange between the two countries in 1991.

[(Stigneyev)] Thank you very much. Then we can look forward to 1991 with optimism as far as Soviet relations with Latin American countries are concerned.

U.S. Military Aid to El Salvador Criticized

91UF0443A Moscow IZVESTIYA in Russian
6 Feb 91 Union Edition p 7

[Article by A. Cherepanov: "No Result: A New Round of Negotiations Between the Government of El Salvador and the Rebels"]

[Text] Mexico—**One-day negotiations between delegations from the Government of El Salvador and the rebels from the Farabundo Marti National Liberation Front [FMLN] took place in the capital of Mexico under conditions of top secrecy. Neither foreign correspondents nor the local press were informed in advance of the upcoming meeting.**

It is only known that the exchange of opinions was peaceful but concluded without results. As previously, the stumbling block remains the issue of the Armed Forces of El Salvador. As everyone knows, back in June 1990 the FMLN proposed in Oaxtelec (Mexico) that demilitarization of the society be conducted. The military and the rebel units were to be dissolved and a civilian police was to be created. The rebels believed that all servicemen involved in the violation of the human rights of the civilian population should be punished. The president of El Salvador categorically rejected that.

The penultimate round of negotiations took place in September 1990 in Costa Rica. Commenting on their results, the press wrote of the "impasse in the Salvadoran peace process." In November the rebels began a new offensive. Its distinguishing feature was the mass use of surface-to-air missiles.

Witnessing the inability of the Salvadoran military to master the situation, the George Bush administration made the decision to resume military aid to the Salvadoran regime. At the end of January the first shipment of U.S. arms arrived in El Salvador: Three airplanes and five helicopters.

At approximately the same time, servicemen committed a cold- blooded massacre of 15 peasants in northern San Salvador—eight women and seven men. Officially it was declared that this was the work of the rebels. But a few days later Arturo Rivera-i-Damas [as transliterated], the archbishop of El Salvador, accused the Armed Forces of the bloody violence. He called for an independent investigation to be conducted by the church.

In April 1990 an agreement on beginning peace talks between the Government of El Salvador and the rebels was signed in Geneva through the mediation of the United Nations. But it was clear even then that they would not lead to any result so long as the White House does not show good will.

Komplektov Meets Ecuadoran Legislators

PM2201102591 Moscow IZVESTIYA in Russian
19 Jan 91 Union Edition p 4

[TASS report under general heading: "Official Reports"]

[Text] On 16 January USSR Deputy Foreign Minister V.G. Komplektov received a delegation of Ecuadoran legislators headed by Daniel Granada, deputy chairman of the Ecuador National Congress commission for labor and social commissions, which is here at the invitation of the USSR Supreme Soviet.

During the talk there was a discussion of a wide range of international and regional problems, note was taken of the constructive and friendly nature of the varied ties between the Soviet Union and Ecuador, and there was an examination of opportunities for their further improvement.

CPSU Secretariat Greets Mexican Party Congress

PM0402153791 Moscow PRAVDA in Russian
31 Jan 91 Second Edition p 4

[Greetings message from CPSU Central Committee Secretariat to Mexican Socialist People's Party on its 14th Congress; date not given: "To the 14th Mexican Socialist People's Party Congress"]

[Text] We greet the delegates to the 14th Mexican Socialist People's Party Congress.

The CPSU favors developing cooperation between our parties for the good of the Soviet and Mexican peoples, in the interests of peace, security, and social progress.

We wish your forum successful work.

[Signed] CPSU Central Committee Secretariat

Venezuelan Leader Rejects Espionage Reports

PM0901092591 Moscow SOVETSKAYA ROSSIYA in Russian 8 Jan 91 First Edition p 3

[Unattributed report: "President Incensed"]

[Text] President Carlos Andres Perez of Venezuela has termed absolutely false local press reports that Aleksandr Shilov, Aeroflot manager in that country, had engaged in espionage activity.

At a news conference on Sunday the president stated that he is incensed at these fabrications. The Aeroflot representative, C. Andres Perez noted, left Venezuela recently on health grounds after an auto accident. No state institution possesses the kind of information which was cited among other things in a report in the newspaper EL MUNDO. "I categorically reject information of this kind, which is greatly regretted and harms our country," the president said.